

ALBANY ALLEGANY BROOME BRONX CATTARAUGUS

CAYUGA CHAUTAUQUA CHEMUNG CHENANGO CLINTON

COLUMBIA **CORTLAND** DELAWARE DUTCHESS ERIE

ESSEX FRANKLIN FULTON GENESEE GREENE HAMILTON

CENTRAL NEW YORK

HERKIMER JEFFERSON KINGS LEWIS LIVINGSTON

MADISON MONROE MONTGOMERY NASSAU NEW YORK

NIAGARA ONEIDA **ONONDAGA** ONTARIO ORANGE

ORLEANS **OSWEGO** OTSEGOPUTNAM QUEENS RENSSELAER

RICHMOND ROCKLAND SARATOGA SCHENECTADY

SCHUYLER SCHOHARIE SENECA STEUBEN ST. LAWRENCE

SUFFOLK SULLIVAN TIOGA TOMPKINS ULSTER WARREN

WASHINGTON WAYNE WESTCHESTER WYOMING YATES

**CENTRAL NEW YORK
REGIONAL ECONOMIC DEVELOPMENT COUNCIL**

Members

Co-Chairs

Nancy Cantor
Chancellor, Syracuse University

Robert M. Simpson
President, CenterState CEO

Central New York Representatives

Tony Baird
President, Tony Baird Electronics

John Becker
Chairman, Madison County Board of Supervisors

Jim Carrick
Chairman, Polaris Library Systems

Phil Church
County Administrator, Oswego County

Dr. Ruben Cowart
President and CEO, Syracuse Community Health Center

Heather Erickson
President, MedTech

Susan Feiszli
Mayor, City of Cortland

Andrew Fish
Executive Director, Cayuga County Chamber

Michael Johnson
General Manager, Johnson Brothers Lumber Company

Kevin LaMontagne
CFO, Fulton Companies

Greg Larioni
Vice President, Lockheed Martin Corporation

Joanie Mahoney
County Executive, Onondaga County

Stephanie Miner
Mayor, City of Syracuse

Margaret Morin
President, 4-M Precision

Cornelius B. "Neil" Murphy Jr.
President, SUNY College of Environmental Science and Forestry

Rita Paniagua
Executive Director, Spanish Action League

Fred Pestello
President, Le Moyne College

Michael Quill
Mayor, City of Auburn

Kathryn H. Ruscitto
President and CEO, St. Joseph's Hospital

Ann Marie Taliерcio
President, UNITE HERE Local 150 AFL-CIO

Peter Tortorici
Chairman, Cayuga County Legislature

Mike Treadwell
Executive Director, Operation Oswego County, Inc.

Garry VanGorder
Executive Director, Cortland County Business Development Corporation

Jack H. Webb
Chairman and CEO, Alliance Bank

Nancy Weber
President, Oswego County Farm Bureau/Owner, Mexican Pride Farm in Mexico, NY

Jack Williams
Chairman, Cortland County Legislature

Randall Wolken
President, Manufacturers Association of Central New York

Public Participation Work Group*

Andrew Fish and Fred Pestello
Co-Chairs

Dolores Byrnes
(also Writing Work Group) Le Moyne College

Dawn Curry-Clarry
SEIU Local 200United

Joel Delmonico
Clear Channel

Joseph Della Posta
Le Moyne College

Bill Fisher
Onondaga County

Travis Glazier
Onondaga County

Denise Williams Harris
Office of Assemblyman Samuel D. Roberts

Kipp Hicks
Madison County Industrial Development Agency

Steve Kulick
Le Moyne College

Julie MacConnell
Clear Channel

Lindsey Ott
Clear Channel

Scott R. Phillipson, Esq.
SEIU Local 200United

Samuel D. Roberts
Assemblyman, 119th Assembly District

Honora Spillane
(also Strategy Work Group) Onondaga County

Caeli Sullivan
Onondaga County

Strategy Work Group*

Nancy Cantor
Chair

Sally Berry
Loretto

Ed Bogucz
Syracuse Center of Excellence in Environmental and Energy Systems

David Bottar
CNY Regional Planning and Development Board

Terry Brown
Warner Energy

Richard Carreno
SUNY Morrisville

Michael Chamberlain
(also Writing Work Group) Finger Lakes Musical Theatre Festival

Lee Davis
O'Brien & Gere

Linda Dickerson-Hartsock
The Tech Garden

Cynthia Dowd Greene
Upstate Medical University

Bea Gonzalez
Syracuse University

Kristen Mucitelli-Heath
(also Vision and Writing Work Groups) St. Joseph's Hospital Health Network

Marilyn Higgins
Syracuse University

David Holder
Syracuse Convention & Visitors Bureau

Dan Hurley
(also Writing Work Group) Upstate Medical University

Michael Kelleher
SUNY College of Environmental Science and Forestry

Steve Kern
Everson Museum of Art

Mike Kuhn
Mohawk Global Logistics

Dan Larson
Cayuga Community College

Melanie Littlejohn
National Grid

Michael Melara
Catholic Charities

David Mankiewicz
(also Writing Work Group) CenterState CEO

Seth Mulligan
CenterState CEO

Michael Novakowski
CenterState CEO

Dominic Robinson
CenterState CEO

Larry Sala
Anaren

Benjamin Sio
(also Writing Work Group) CenterState CEO

Emily Thomas
Finger Lakes Musical Theatre Festival

David Wall
Onondaga Community College

Ben Walsh
City of Syracuse

John H. Watt
(also Writing Work Group) Alliance Bank

Vision Work Group*

Robert M. Simpson
Chair

Michelle Brown
St. Joseph's Hospital Health Network

Roger Evans
New York State Department of Labor

David Gower
Intertek

Terry Masterson
Cayuga Economic Development Agency

Writing Work Group*

Cornelius B. "Neil" Murphy Jr.
Chair

Karyn Burns
Manufacturers Association of Central New York

Jonathan Daniels
Port of Oswego Authority

Christa Glazier
CenterState CEO

Kathleen Haley
Syracuse University

Elle Hanna
CenterState CEO

Amy McVey
Syracuse University

Eric Persons
Syracuse University

Kevin Quinn
Syracuse University

Melanie Stopyra
Syracuse University

Emily Thomas
Finger Lakes Musical Theatre Festival

* Central New York Regional Economic Development Council members also served on the various work groups.

A Message from the Council

The Central New York Regional Economic Development Council is pleased to submit the following strategic plan on behalf of the region. This holistic economic strategy reflects the input of thousands of Central New York residents who participated in this process, hundreds of issue experts, more than two dozen council members, and several national foundations, consultants, and think tanks who have been working with our region for years to transform our approach to economic growth.

This action plan embraces our region's economic diversity, leverages our unique assets, and prioritizes innovation and collaboration. Included in this strategy are **30 priority projects** that are eligible for Capital Funding and Excelsior Tax Credits. Collectively, they represent a **total investment of \$785 million, total five-year payroll of \$393 million**, and total project **expenses of more than \$1.1 billion**. Together, they support the **creation of 1,958 new jobs and 1,928 construction jobs; the retention of 366 existing jobs; and leverage a return on investment of 28:1**.

These investments complement our strategy by bringing high-quality new jobs to abandoned facilities in distressed communities, supporting major urban development initiatives, building the research and development capacity of academic institutions and industry sectors, and encouraging the exporting of regional products to new and growing international markets, among others.

Beyond the 30 priority projects, we have also outlined a series of transformational initiatives, which this process has identified as critical to our long-term competitiveness. These initiatives include, but are not limited to, projects that create regional innovation clusters, build human capital by increasing educational attainment, provide risk-capital to entrepreneurs, and connect our rural residents to the global economy through expanded broadband service. We believe these deserve strong consideration as new programs and funding streams are developed to meet the changing needs of a new economy.

This plan represents a hopeful, strategic, and realistic vision for Central New York's economy. The long-term implementation of this vision will take years of sustained, collaborative, and creative hard work and require the full resources of the private, public, not-for-profit, and civic sectors. Securing those partnerships, and sustaining them, is our council's commitment.

In return, we ask that the Governor, his administration, and the Legislature continue to focus on reforming the fundamental issues affecting New York State's business climate—high taxes and energy costs, mandates on local governments, and overly burdensome regulation, to name just a few.

Without sound regional strategies, reform alone will not produce sustainable economic growth and quality communities. Likewise, without reform, no regional strategy will be sufficient to fundamentally improve its business climate, create jobs, and generate new opportunity for its residents.

The submission of this strategy is not an end, but rather the beginning of a renewed commitment to regional and state-wide collaboration to create jobs, improve skills, and increase our global competitiveness.

CONTENTS

1.0 Executive Summary	2	4.0 Economic Development Strategy and Components	50
2.0 Regional Assessment of Existing Conditions and Economic Opportunities	14	<ul style="list-style-type: none"> • A Long-Term Plan for Transformational Change in Economic Development 53 • Strategies, Tactics, & Priority Projects 57 • Central New York Regional Policy Portfolio 78 	
3.0 Economic Development Vision	32	5.0 Regional Implementation Plan	82
<ul style="list-style-type: none"> • Vision Statement 32 • Central New York Regional Goals 33 • Critical Issues to be Resolved / Critical Opportunities to Advance 34 • Public Stakeholder Engagement 45 		<ul style="list-style-type: none"> • Implementation Matrix 84, 86 • Public and Stakeholder Engagement Sustainability Plan 88 	
		6.0 Performance Measurement	90
		<ul style="list-style-type: none"> • CNY Regional Performance Measures 91 	
		Strategic Plan Bibliography	95

1.0 Executive Summary

VISION STATEMENT

Innovation and collaboration are central to the creation of opportunity for all who live and work in Central New York. By taking ownership of its future, operating in a nimble and efficient manner, and leveraging its many assets—natural, agricultural, geographic, economic, educational, cultural, and human—Central New York is working to create a diverse, sustainable, and globally competitive economy while preserving and enhancing the region’s treasured quality of life.

Central New York’s vision for economic prosperity and the development of the region’s strategic plan is a product of strong collaboration and engagement with our local communities, anchor institutions, and, at the national level, with foundations and think tanks whose expertise lies in regional development. Since the creation of the Central New York Regional Economic Development Council (CNY REDC), public sessions were conducted in each of the five counties across the region to gather community input that has identified key economic assets, opportunities, and challenges to overcome. Extensive work by stakeholder groups in business and civic life produced 13 white papers that prioritized strategies and tactics, and identified key initiatives in the region.

In addition, Central New York has been the beneficiary of extensive support from the Ford Foundation, the Surdna Foundation, Say Yes to Education Inc., the Kauffman Foundation, CEOs for Cities, and the Brookings Institution, which have all contributed to a growing understanding of the opportunities and challenges that our region faces in both the national and global context. The creation of this strategic plan, therefore, is a natural and authentic product of these relationships and our own regional expertise as we strive to learn from others and develop essential partnerships to support our transformation.

We recognize that our economic and social diversity is among Central New York’s greatest assets. The region’s diversity of core industries has helped, in part, to mitigate the most crippling effects of the recession, especially when compared to other regions around the nation that are overly dependent on individual industries. During the most recent

downturn, the region as a whole has fared better than the state and nation on many key economic indicators.

Furthermore, our diverse social assets—demonstrated in part by our healthy mix of urban and rural communities, ethnic populations, cultural organizations, and educational institutions—are laying a pathway for addressing our critical issues and opportunities through extensive collaboration with our economic engines. Where we see economic barriers in the high cost of doing business, fragmented government, brain drain, and concentrated areas of poverty, we also see opportunities to leverage public investments and develop public-private partnerships with anchor institutions to overcome those challenges and unlock the region’s economic potential.

CNY REDC recognizes that the force of continued collaboration is essential, and our economic objectives must also address the social opportunities and challenges we have throughout the region. As a result, the strategic plan for Central New York is built around three priority goals to guide our region’s collective actions:



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets



Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies



Revitalize our Region’s Urban Cores, Main Streets, and Neighborhoods



Cayuga,
Cortland,
Madison,
Onondaga,
and Oswego
Counties are at
the crossroads of
New York State.

Courtesy of CenterState CEO

These goals are not presented in a way in which we will work to attain them individually, but they are framed throughout this strategic plan to integrate with each other so that our specific tactics and initiatives will lead to greater outcomes. Included in our strategy are **30 priority projects** that are eligible for Capital Funding and Excelsior Tax Credits. Collectively, they represent a **total investment of \$785 million, total five-year payroll of \$393 million, and total project expenses of more than \$1.1 billion.** Together, they support the **creation of 1,958 new jobs and 1,928 construction jobs; the retention of 366 existing jobs; and promise a return on investment of 28:1.**

This strategic plan recognizes that our priority projects and transformational initiatives must all build on a solid foundation for sustainable growth and prosperity in our economy, in our neighborhoods, and for all our citizens.



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets

In planning for its future prosperity, the region has identified several critical industry concentrations that are at the heart of its economic strategy. These sectors represent a cross-section of both traditional and new economy industries and share five common criteria: (1) they have critical mass of existing firms and a large base of existing employment in the region; (2) employment in these sectors is highly concentrated in Central New York; (3) there is significant growth in regional, national, and global demand for the products and services they generate; (4) Central New York possesses resources to support these clusters and, therefore, this region has a competitive advantage to attract similar firms; and (5) they are deeply connected to our anchor institutions.

Our priority industry concentrations are:

- a. **Clean Energy and Environmental Systems** – Central New York has the eighth highest concentration of private sector “green jobs” of any region in the country and is home to New York State’s Syracuse Center of Excellence in Environmental and Energy Systems (SyracuseCoE), a consortium of more than 200 research institutions and private sector companies.
- b. **Health, Biomedical Services, and Biosciences** – Our region’s hospitals directly employ more than 23,000 people and another 3,500 are employed in private, high-tech biomedical companies with average wages approaching \$70,000, nearly double the region’s median wage. Our extensive research and development (R&D) in the biosciences cluster not only fuels health and biomedical, but also drives our clean technology, agribusiness, and other core industries.
- c. **Financial Services** – This industry employs more than 24,000 people within the existing labor market. Recent research demonstrates that Central New York offers significant advantages to firms in this sector, such as a lower cost of operation and a highly skilled and experienced labor force that provides opportunities for employment growth.
- d. **Agribusiness and Food Processing** – New York State is the nation’s third-largest producer of fluid milk and commodity crops representing more than \$1 billion in sales alone. Central New York is a significant contributor and increasingly focused on value-added opportunities for agribusiness, including food processing.



The region's industry clusters, global connectivity, and strong municipal cores are at the heart of its economic strategy.

Courtesy of SUNY College of Environmental Science and Forestry

- e. **Advanced Manufacturing** – Manufacturing represents 10 percent of the region's total employment and sub-sectors, such as digital electronics and radar and sensor systems, and serves expanding global markets in security, information technology, and defense.
- f. **Tourism** – Tourism is a \$1 billion industry in Central New York, and current global economic conditions, including the weak dollar, create opportunities for our region to draw additional international visitors across our shared boundary with Canada and from entry points downstate.



Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies

The region's economic development strategy acknowledges and embraces the global nature of today's economy and positions businesses, large and small, to compete in an increasingly competitive marketplace. Central New York's highly educated workforce forms the foundation for those investments, as does its unique concentration of leading higher-education, research and development institutions, and proximity to the Canadian border and the ports of Oswego, New York City, and Newark, N.J.

In order to improve our global competitiveness, the region will make significant investments in several critical mechanisms that fuel economic growth:

- ❖ **Encourage New Venture and Product Development** – The region has a strong foundation in entrepreneurship with collaborative programs between higher education and business. We will further invest in efforts to support successful venture development, including student venture development, as part of a transformational strategy to re-energize the regional economy.
- ❖ **Prioritize Investments in Innovation, Commercialization, and Process Improvement** – Continuous improvement and the development of new products and services is critical to the success of businesses in a rapidly evolving global economy. The region will encourage private investment in research and development; improve technology commercialization among its educational and research institutions; and create a complete ecosystem of mentors, business services, and risk-capital to enable innovation.
- ❖ **Capture a Greater Share of the Global Marketplace** – Ninety-five percent of the world's consumers currently reside outside of the United States. Improving export performance is critical to the long-term competitiveness of the region. Export-driven jobs also provide higher wages for the region's residents. In addition to promoting Central New York's products and services across the world, the region is well positioned to attract new foreign investment from global companies looking to serve domestic markets.
- ❖ **Build a 21st Century Infrastructure** – Global competitiveness requires global connectivity. The region must improve its physical infrastructure, including its air service, port access, road and rail infrastructure, and broadband connectivity, in order to get regional goods to national and global markets.
- ❖ **Maximize Human Capital** – While the region possesses a highly skilled and well-educated workforce, the region is expanding its participation of the workforce in the new economy, particularly in key industry sectors, such as advanced manufacturing and health care.



Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods

Strong regions are built around strong municipal cores and neighborhoods that develop, attract, and retain the human and social capital required for industry to grow and remain competitive: the convergence of ideas and people. Many leading businesses and key industry sector hubs are located within these city and town centers, and the region's anchor institutions—educational, health care, and cultural—have been at the forefront of the national movement to leverage their significant assets for community revitalization. Building upon the strengths of these existing opportunities, the region will recreate the social, physical, and cultural fabric of its neighborhoods, urban cores, and main streets.

In pursuing the goal to invest in and strengthen our region's cores, the region will:

- ❖ **Rethink** – Reinvigorate the region's neighborhoods and main streets through mutually beneficial partnerships with diverse businesses and the region's anchor institutions, and invest resources that leverage the national movement of anchor institutions to restore neighborhoods, train new workers, retain young talent, and create small business and social enterprises.
- ❖ **Repurpose** – Our municipal centers represent significant investments in physical infrastructure that must be preserved and enhanced for future growth. We will pursue a strategy that repurposes existing physical assets through adaptive re-use and brownfield remediation, links planned transportation investment with surrounding private development through transit-oriented strategies, uses green technologies to improve the efficiency of existing assets from individual buildings to entire neighborhoods, promotes density in development, and encourages quality communities.
- ❖ **Retrain** – Human and social capital is the most important asset for a globally competitive economy, and our region must rise to the challenge to improve Pre-K-20 educational attainment; provide greater access to education; prepare students for high-demand careers; retrain workers for new careers; support minority, women, and veteran owned businesses; and create quality employment opportunities that will allow individuals and families to prosper.

Aligning Strategies for a Sustainable Future in the Global Marketplace

These three priority goals are the basis for a disciplined approach to achieving our vision for strategic, equitable, and sustained prosperity. The holistic nature of the region's strategy will differentiate Central New York from its peers in that we embrace our economic and social diversity as being central to our future success. The region will enable the growth and intersection of established target industries, while simultaneously investing in its communities and residents in ways that enable long-term global competitiveness.

Therefore, the projects in this strategic plan for Central New York address the three priority goals outlined above. They represent innovation and entrepreneurship—not just within the industries they may represent, but also stand as social enterprises that help transform our neighborhoods and urban cores in ways that make the region more globally competitive. They build upon collaboration—not just in managing the economic assets that fuel their development, but among the public agencies, anchor institutions, and economic development entities that drive public engagement. And they promote cross-sector integration—not just in the ideas and processes that drive the development and distribution of products and services, but in the way Central New York's families, cultural institutions, and businesses feed into each other. Collectively, the projects listed in this plan represent investments that maximize the public good we envision as a region, and they set a foundation for transformative prosperity across Central New York.

To implement the region's priority projects, the council has developed 18-month and five-year implementation matrices to inform both the council and the community on the plan's progress; track priority projects, initiatives, and critical project deadlines; and track the public participation process. These implementation tools provide for the inclusion of current and future intra- and inter-regional initiatives, such as the Brookings Metropolitan Business Plan and Metropolitan Export Initiative, and ensure a common platform for communication, performance evaluation, and public engagement.

It is the intention of the Council that successful implementation of the strategies, tactics, and projects outlined in this plan will, in part, result in:

- The **creation and retention of high paying jobs** in our region's vital industry sectors.
- An increase in the region's **educational achievement and attainment** through such initiatives as Say Yes to Education.
- The **growth of new and emerging businesses**, especially in sectors that this plan indicates as regional strengths.
- The **strengthening of already robust innovation and R&D** through more patent applications and research expenditures, and commercialization tactics.
- A **doubling of the region's export activity** to global markets.
- An increase in the region's sales tax base spurred by a **growth in visitor spending**.
- Growing the region's **affordable housing, job density, access to transit, and central business district occupancy rates**.

Next Steps in Building the Foundation for Transformative Prosperity



Although this strategic plan is largely developed to address immediate funding opportunities to partner with New York State, it would not be complete without addressing projects, programs, and other current opportunities that are critical for our region's transformation.

Through a strategic partnership with the Brookings Institution, four market levers representative of our goals, assets, and collaborations have been identified that build a strong foundation for economic development moving forward: *regional industrial clusters; connecting people, jobs, and housing; workforce alignment; and innovation infrastructure.* Within each of these levers, the CNY REDC has identified several transformational initiatives and projects that will have a catalytic impact on our region's future prosperity. While currently available state capital funding and tax credits may not be deployed to support these initiatives, we feel strongly that these initiatives must remain a focus for our community and become a priority for New York State if our regional vision is to be fully achieved. Transformational projects include:

❖ Regional Industrial Clusters

New York Energy Regional Innovation Cluster (NYE-RIC)

NYE-RIC is a statewide alliance focused on accelerating the development and deployment of innovations to dramatically improve energy efficiency in buildings, addressing a global demand in a market that is expected to grow dramatically over the coming decades. The proposed investment of \$225 million includes \$150 million from private and federal sources, which can be catalyzed by \$75 million from multiple state sources.

Food-to-Market and Agricultural Programming

Central New York is uniquely poised to be the agribusiness "hub" of New York if it can coordinate its use of agricultural and natural resources to create more

robust systems for local food to market initiatives and regional energy production.

Tourism in the Arts and Culture

Our region has an abundance of arts and cultural opportunities, with world-class offerings by individual artist studios to large-scale performance venues. We must access broader audiences while finding ways to leverage community support and funding for the arts to reach national and international markets.

Project "Top Hat"

A Fortune 1,000 financial services firm is considering an expansion in multiple regions in upstate New York, with the potential to generate more than 1,000 jobs. In order to accommodate the anticipated growth, the project will engage institutions of higher learning in terms of internships, curriculum development, and employment opportunities to meet its workforce demand.

❖ Connecting People, Jobs, and Housing

Municipal Core Mixed-Use Investment Program

The Restore New York program successfully provided needed gap financing to mixed-use projects of all sizes throughout the state. The program proved critical to getting new commercial and residential construction moving in Central New York's municipal cores and the state must consider the creation of similar mixed-use investment programs.

Broadband/Connectivity Infrastructure

In an increasingly interconnected marketplace, ubiquitous high-speed, affordable broadband Internet access is a key component to thriving economies in both urban and rural communities. Rural areas need a strategy to support investment in broadband to connect its citizens with each other and the broader economy.

Region-Wide Waterfront Revitalization Strategy

To unlock the full economic potential of the region's abundant waterfronts, New York State must help create focused waterfront programs that leverage local investments in municipal revitalization, marketing, business recruitment, and shipping.

❖ Workforce Alignment

Say Yes to Education

The nation's first-ever, district-wide implementation of Say Yes in the City of Syracuse is poised to be a visionary, turnaround model for education and economic development in urban centers across the United States. New York State must help expand the Say Yes Summer Academies throughout the five-county region, and further advance scholarship opportunities for our aspiring youth.

❖ Innovation Infrastructure

Innovate Upstate Fund

Central New York has a robust innovation ecosystem through R&D at its academic institutions and a strong support infrastructure that accelerates the development



The Merry-Go-Round Playhouse in Auburn, one of the region's many tourism assets.

Photo by Glenn Gaston | Courtesy of Cayuga County Tourism.



Courtesy of Syracuse University

Syracuse's
Say Yes to Education
is poised to be a
visionary, turnaround
model for education
and economic
development in
urban centers across
the nation.

of early-stage companies; however, the state does not have a complete continuum of funding programs and tax breaks to assist startups in emerging technology sectors. The region's private and institutional partners are working to capitalize a regional venture fund to provide critical risk capital to accelerate the launch and growth of more startup companies.

CNY REDC Expectations of Funding Recipients

In order to maximize the value of New York State funds, the CNY REDC strongly encourages recipients of funding through this process to:

1. **Reinvest in the Community** – Reinvest some percent of project awards to create a community reinvestment fund to further advance our collective transformational opportunities. In so doing, Central New York should further leverage limited public investments by creating sustained funding streams for advancing the arts, research, innovation, Pre-K-20 education and the inclusion of public art and green infrastructure in our public spaces, among other priorities.
2. **Use Local Labor** – The CNY REDC encourages, to the fullest extent practicable, the use of local labor, both

union and non-union, to fulfill projects that are funded through the regional council. We also encourage funding recipients to select responsible bidders. Funding recipients will be asked to report to the council on their local labor utilization rates at the completion of their project.

3. **Utilize Minority, Women, and Veteran Owned Enterprises (MWVBE)** – The CNY REDC recognizes the critical importance of minority, women, and veteran entrepreneurship, and strongly supports continued capacity building of these enterprises. The council also encourages, to the fullest extent practicable, usage of MWVBES that exceeds existing statutory thresholds to fulfill projects that are funded through the regional council. We intend to work with project sponsors and MWVBES to facilitate meaningful business connections that can assist project sponsors in meeting this goal. Funding recipients will be asked to report to the council on their MWVBE utilization rates at the completion of their project.

By investing in these long-term strategies, and starting with the priority projects and tactics described in this strategic plan, Central New York is laying a foundation for transformative, sustainable prosperity into the future. ●

1.0 Resumen Ejecutivo

DECLARACIÓN DE NUESTRA VISIÓN:

La colaboración y la innovación son elementos centrales al desarrollo de oportunidades para todos aquellos que viven y trabajan en el centro de Nueva York. Al apropiarnos de su futuro trabajando de una manera ágil y eficiente e influenciando cada uno de sus recursos-naturales, agrícolas, geográficos, económicos, educativos, culturales, y humanos- En el área central de Nueva York se ha trabajado para crear una economía globalmente competitiva, diversa, y eficaz, así mismo realzando y preservando la calidad de vida de la región.

La visión del Centro de Nueva York de una prosperidad económica y de desarrollo del plan estratégico de la región es un producto de su poderosa colaboración y relación con nuestras comunidades locales, institutos bases y, al nivel nacional, con fundamentos y una maquinaria de expertos cuya experiencia se encuentra en el desarrollo regional. Desde la fundación del Consejo de Desarrollo Económico Regional del Centro de Nueva York (CNY REDC), se han conducido sesiones públicas en cada uno de los cinco condados de toda la región para adquirir aportaciones comunitarias que han identificado recursos económicos fundamentales, oportunidades y desafíos que superar. Un trabajo extenso realizado por grupos de personas con un interés genuino en los negocios y la vida cívica, 13 escritos que priorizan tácticas y estrategias, e identifican iniciativas esenciales para la región.

Además de esto, el Centro de Nueva York ha sido el beneficiario de un amplio apoyo por parte de la Fundación Ford, la Fundación Surdna, la Fundación Dile Sí, la Fundación Kauffman, CEO para Ciudades y la Institución Brookings, las cuales han contribuido al creciente entendimiento sobre los obstáculos y oportunidades que nuestra región enfrenta, tanto en el contexto nacional como en el global. Por lo tanto, la creación de este plan estratégico es un producto auténtico y natural de estas relaciones y de nuestra experiencia regional a medida que nos esforzamos por aprender de otros y formamos alianzas esenciales en apoyo de nuestra transformación.

Nosotros reconocemos que nuestra diversidad social y económica está entre los valores más grandes del Centro de Nueva York. La diversidad de industrias principales de la región, en parte, han favorecido el poder mitigar los efectos más agobiantes de la recesión, especialmente, en comparación con otras regiones alrededor del país que dependen grandemente de una sola industria. En el más reciente censo, la región

entera ha estado mejor parada que el estado y la nación, según lo afirman varios indicadores económicos.

Además nuestros diversos activos sociales- demostradas en parte por la considerable inclusión, entre las comunidades urbanas y rurales, poblaciones étnicas, organizaciones culturales e instituciones educativas – están trazando camino para tratar nuestras situaciones críticas y oportunidades a través de extensa colaboración con nuestra maquinaria económica. Donde vemos barreras claves económicas es en el alto costo de hacer negocio, en el gobierno fragmentado, cansancio mental y la concentración de áreas de pobreza también observamos oportunidades para influenciar la inversión pública y desarrollar asociaciones públicas y privadas con instituciones base para sobrepasar los retos y desarrollar el potencial económico de la región.

El CNY REDC reconoce que la fuerza de una colaboración continua es esencial y, que nuestros objetivos económicos deben señalar las oportunidades sociales y los obstáculos que existen en toda la región. Como resultado, el plan estratégico del Centro de Nueva York se ha fabricado alrededor de tres objetivos prioritarios para que sirvan de guía en las acciones colectivas de la región:



Fortalecer las concentraciones industriales seleccionadas que están reinvertiendo sus únicos recursos económicos



Mejorar la competitividad en la economía regional y acoplarla con la economía nacional e internacional



Rehabilitar los núcleos urbanos de nuestra región: las calles principales y sus vecindarios

Estos objetivos no están presentados de manera en que se articulen individualmente pero, en el plan estratégico están elaborados de una forma que puedan integrarse uno con el otro para que así nuestras tácticas e iniciativas específicas guíen a un resultado mejor. Incluidos en nuestra estrategia **hay 30 proyectos prioritarios**, que son elegibles para fondos capitales y créditos contributivos. En conjunto representan una inversión **total de \$785 millones, para un total de nomina a 5 años de \$393 millones y un total de gastos de proyectos de más de \$1.1 billones**. Juntos apoyan **la creación de 1,958 trabajos nuevos, 1,928 trabajos de construcción y la retención de 366 empleo existentes y promete 28:1 en rendimiento de inversión**.

Este plan estratégico reconoce que nuestros proyectos prioritarios para un futuro inmediato y, nuestras iniciativas transformativas de largo plazo, por las que seguimos luchando y desarrollando, todas están fundadas en una base sólida para un crecer fuerte y próspero de nuestra economía, en nuestros vecindarios, y para todos nuestros ciudadanos.



Fortalecer las concentraciones industriales seleccionadas que están reinvertiendo sus únicos recursos económicos

En planificar su prosperidad futura, la región ha identificado concentraciones de sectores industriales fundamentales para emprender su estrategia económica. Cada sector es una muestra representativa de la nueva economía industrial y la economía tradicional, y comparten tres criterios comunes: (1) contienen una masa crítica de empresas ya existentes y una base de empleos en la región; (2) los empleos en esta zona están mayormente concentrados en el centro de Nueva York; (3) hay un crecimiento significativo de demanda regional, nacional, e internacional de productos y servicios de dichas industrias locales; (4) el Centro de Nueva York posee los recursos necesarios para sostener estos grupos y de tal forma, la región tiene una ventaja competitiva para atraer empresas similares; (5) y ellos están conectados profundamente con nuestras instituciones base.

Nuestras concentraciones industriales prioritarias son:

- a. **Energía Limpia y Sistemas Ambientales** - En el centro de Nueva York está la octava concentración más grande de sectores privados conocidos como “empleos verdes” de cualquier región del país, y es el hogar del Centro de Excelencia (COE) del centro de Nueva York, especializado en materia de energía y sistemas ambientales, un consorcio de más de 200 instituciones de investigaciones y compañías del sector privado.



Courtesy of CenterState CEO

- b. **La Salud y las Ciencias Biomédicas** - Los hospitales de la región emplean directamente a más de 23,000 personas y otras 3,500 personas son empleadas por medio de agencias privadas. Por su parte, las empresas biomédicas que disponen de tecnología al día cuentan con salarios promedio de \$70,000 que casi es el doble del salario promedio de la región. Nuestra extensa investigación y desarrollo (por sus siglas en inglés R&D), en el campo de la bio-ciencia no solamente impulsa salud y la biomedicina, adicionalmente, dirige nuestra tecnología limpia, negocios agrícolas y otras industrias importantes.
- c. **Servicios Financieros** - Esta industria emplea a más de 24,000 personas dentro del mercado laboral existente. Recientes investigaciones han demostrado que el Centro de Nueva York ofrece ventajas significativas a industrias en este sector, por ejemplo, bajos precios de operación y una alta calidad de la fuerza laboral, que provee un crecimiento en oportunidades de empleos.
- d. **Empresas Agrícolas y de Procesamiento de Alimentos** - En el estado de Nueva York es el tercer estado de mayor producción de leche de la nación y de cultivos básicos que en solo ventas representan más de \$1 billón. El centro de Nueva York es un contribuidor clave en éste mercado y cada vez se enfocará más en desarrollar oportunidades que aumenten el valor de los negocios agrícolas, incluyendo el procesamiento de alimentos.
- e. **Fabricación Avanzada** - La industria manufacturera cuenta con 10 % de los empleos de la región, y subdivisiones como la de electrónica digital, de radar y de sistemas de sensor y, sirven para expandir y brindar información tecnológica, seguridad, y defensa a diferentes mercados en todo el mundo.



Courtesy of SUNY College of Environmental Science and Forestry

- f. **Turismo** – El turismo es una industria estimada en \$1 billón en el centro de Nueva York y es también un fenómeno global a pesar del decaimiento del dólar. Éste crea oportunidades de atraer visitantes internacionales a nuestra región y a la frontera compartida con Canadá, y como punto de entrada, la parte Sur del estado.



Mejorar la competitividad en la economía regional y acoplarla con la economía nacional e internacional

La estrategia de desarrollo económico de la región reconoce y comprende la naturaleza global de la economía actual y las posiciones de las empresas, grandes y pequeñas, en luchar decisivamente en un mercado competitivo. La educada fuerza laboral del centro de Nueva York compone la fundación de dichas inversiones, así mismo, su educación superior de alta calidad, la experiencia en investigación y desarrollo y la proximidad a la frontera Canadiense y puertos de Oswego, la Ciudad de Nueva York y Newark, NJ.

Para poder mejorar la competitividad global, la región debe hacer cambios significativos en varios mecanismos que estimulen el crecimiento económico:

- ❖ **Emprendimiento y Empresas Pequeñas** – La región tiene una fuerte constitución en emprendimiento con programas colaborativos entre las universidades y negocios. Como parte de una estrategia de transformación para re-energizar la economía de la región se invertirá más en los esfuerzos para apoyar un desarrollo exitoso de empresas nuevas, incluyendo desarrollos de participación estudiantil.
- ❖ **Priorizar Inversión e Innovación, Comercialización, y Mejoramiento de Procesos** – El desenvolvimiento de productos y servicios nuevos es esencial para el éxito de negocios en una economía global de rápida

evolución y por ello, la región estimulará inversiones privadas para investigaciones y desarrollos; mejorar la comercialización de tecnología entre sus instituciones de educación e investigación; formar un ecosistema completo de mentores, servicios comerciales y arriesgar capital para permitir la realización de invenciones.

- ❖ **Atraer Mayores Acciones del Mercado Global** – El noventa y cinco por ciento de los consumidores residen en áreas fuera de los Estados Unidos. Mejorar el rendimiento de las exportaciones es algo crítico para asegurar el largo plazo competitivo de la región. Además, empleos impulsados por la exportación

proveen salarios más altos para los residentes de la región. Empleos por medio de la exportación proveen más altos ingresos a los residentes de la región. Además de promover los productos y servicios del centro de Nueva York en todo el mundo, la región está en buena disposición de atraer una nueva inversión extranjera de compañías internacionales que buscan servir en mercados domésticos. Más de la mitad de la población de los Estados Unidos y de Canadá viven a menos de 750 millas de la región y dicha ventaja geográfica se ve reforzada por los costos relativamente competitivos de bienes raíces y costos laborales.

- ❖ **Edificar Estructura del Siglo XXI** – La competitividad global requiere conectividad. La región debe mejorar su infraestructura física incluyendo su servicio aéreo, acceso a los puertos, sus infraestructuras viarias y ferroviarias, y conectividad y acceso al internet de banda ancha para mejorar la transportación de sus productos regionales a mercados nacionales e internacionales.
- ❖ **Maximizar el Capital Humano** – Aunque la región cuenta con un personal de trabajadores altamente cualificados, la región expande su participación de trabajadores en la nueva economía, particularmente en los sectores industriales cruciales como el de cuidados de salud y fabricación avanzada.



Rehabilitar los núcleos urbanos de nuestra región: las calles principales y sus barrios

Regiones fuertes se construyen bajo núcleos municipales y vecindarios sólidos que progresan, unen y retienen el capital humano y social requerido para que la industria crezca y se mantenga competitiva: la convergencia de ideas y personas. Por otra parte, muchos de los negocios eminentes y centros de industrias principales del sector están localizadas dentro de

estos centros de la ciudad y, las instituciones base de la región- educativas, de cuidados de salud y culturales- han estado al frente del movimiento nacional para emplear sus recursos más significativos en la rehabilitación comunitaria. Sirviéndonos de los puntos fuertes de estas oportunidades existentes, la región recreará la estructura física, social y cultural de nuestros vecindarios, calles principales y núcleos urbanos.

En llevar a cabo nuestro objetivo de invertir y fortalecer los núcleos de nuestra región, la región:

- ❖ **Reconsiderará** - Vigorizar los vecindarios y las calles principales de la región por medio de colaboraciones mutuamente beneficiosas entre diversas empresas y las instituciones base de la región, e invertir los recursos que aprovechen el movimiento nacional de instituciones base (educativas, de cuidados de salud y culturales) para restaurar los vecindarios, capacitar nuevos trabajadores, retener el talento joven, y crear negocios pequeños y empresas sociales.
- ❖ **Reutilizar**- Nuestros centros municipales representan una inversión significativa en la infraestructura física que debe ser preservada y mejorada para crecimiento futuro. Nosotros seguiremos llevando a cabo una estrategia que reutilice los recursos físicos ya existentes a través de adaptación a nuevos usos y remediación en zonas industriales abandonadas, enlazando la inversión para planes de transportación con desarrollo privado del área a través de estrategias orientadas a tránsito usando tecnología verde para mejorar la eficiencia de los recursos existentes de cada edificio en vecindarios enteros, promoviendo la densidad en desarrollo y alentando la calidad comunitaria.
- ❖ **Recapacitar**- El capital humano y social es el atractivo más importante para alcanzar una economía competitiva global, y nuestra región debe enfrentar el desafío mejorando el rendimiento educativo (k-20), preparando estudiantes para diferentes profesiones, proveyendo oportunidades de capacitación a trabajadores que están cambiando de carrera, apoyando a minorías, mujeres y negocios de propietarios veteranos, y creando buena calidad de oportunidades de empleos que le permitan al individuo y a familias prosperar.

Alineando Estrategias para un Futuro Sostenible en el Mercado Global

Estos tres objetivos prioritarios son la base de enfoque disciplinario para lograr nuestra visión equitativa y sostenibilidad prospera. La naturaleza holística de la estrategia de la región marcará la diferencia del Centro de Nueva York de sus colegas, es que nosotros damos paso a nuestra diversidad económica y social como punto de centro para nuestro éxito futuro. La región permitirá el crecimiento y la intersección entre las industrias seleccionadas ya establecidas permitiéndoles invertir simultáneamente en sus comunidades y residentes en maneras que les permita adquirir competitividad global a largo plazo.

Por lo tanto, los proyectos descritos en este plan estratégico del centro de Nueva York tratan de tres objetivos prioritarios esbozados previamente. Ellos representan innovación y emprendimiento empresarial no solo dentro de las industrias que representan sino también emplearse como empresas sociales que contribuyen a la transformación de nuestros vecindarios y núcleos urbanos de maneras que hacen la región más competitiva globalmente. Ellos se basan en la colaboración- no solo en manejar las posesiones económicas que estimulan su desarrollo, sino en agencias públicas, instituciones base y en entidades de desarrollo económico que manejan la asociación pública. Ellos también promueven la integración trascendental- no solo en las ideas y procesos que inicien el desarrollo y la distribución de productos y servicios, más bien en las familias del Centro de Nueva York, instituciones culturales y negocios que inter-dependan una de la otra. Colectivamente, estos proyectos representan inversiones que maximizan el bienestar público que nosotros imaginamos como nuestra región y, establecen una fundación de prosperidad evolucionaria en todo el Centro de Nueva York.

Para implementar los proyectos prioritarios de la región, el concilio ha desarrollado planes para implementación de 18-meses a 5 años para: informar al concilio y a la comunidad sobre el progreso del plan; dar seguimiento a proyectos prioritarios, iniciativas y fechas críticas para completar proyectos; y mantener visible el proceso de participación pública. Estas herramientas de participación proveen para la inclusión de iniciativas actuales y futuras, Inter regionales, tal como el plan de negocio de Brookings Metropolitan e iniciativas de exportación de Metropolitan y asegurar una plataforma común para comunicaciones, evaluación de desempeño, y participación pública. Es la intención del concilio que las implementaciones exitosas de las estrategias, tácticas, y proyectos descritas en este plan resultarán en lo siguiente:

- **La creación y retención de trabajos con sueldos altos** en los sectores de industrias vitales en nuestra región.
- **Incremento en los logros educacionales** de la región a través de programas como Dile Sí a la Educación.
- **El crecimiento de nuevos negocios**, especialmente en los sectores que este plan indica como las fuerzas de nuestra región
- **Reforzar innovaciones ya robustas y investigación y desarrollo (por sus siglas en inglés R&D)** a través de mas aplicaciones para patentes y costos de investigación
- **Doblar la actividad de exportación de la región** a mercados globales
- Incremento en los impuestos de venta en la región incitado por el crecimiento de lo que **gastan los visitantes**.
- Mantener competitiva **y con precio asequible la vivienda, densidad de trabajo, acceso a transportación y tasa de ocupación de negocios en el distrito central**

Siguientes Pasos para Crear una Fundación Sólida para una Prosperidad Transformativa

Por lo tanto, este plan estratégico mayormente se enfoca en oportunidades inmediatas de financiamiento para crear alianzas con el Estado Nueva York, no estaría completo sin tratar las oportunidades de proyectos, programas y otras oportunidades actuales que son críticas para la transformación de la región.

A través de una asociación estratégica con el Instituto Brookings, se han identificado cuatro recomendaciones de nuestro mercado cuales representan nuestros objetivos, ventajas y colaboraciones, a su vez edificando una fundación sólida para el desarrollo económico según nos movemos hacia adelante: grupos industriales de la región; conectando personas, trabajos y vivienda; alineación en el cuerpo laboral; y una infraestructura innovadora. Entre estas recomendaciones de desarrollo el CNY REDC ha identificado varias iniciativas transformadoras y proyectos que tendrán un impacto catalítico en la futura prosperidad de nuestra región. Aunque disponible al momento, fondos capitales del estado y fondos a través de créditos de impuestos no pueden ser extendidos para apoyar estas iniciativas por motivos de restricciones de fondos, nos sentimos totalmente inclinados a mantener estas iniciativas como foco para nuestra comunidad y que se conviertan en una prioridad para el Estado de Nueva York si nuestra visión regional es de ser lograda completamente.

Proyectos de transformación incluyen:

❖ Grupos Industriales de la Región

Campos Industriales Innovadores de Energía Regional New York (por sus siglas en inglés NYE-RIC)

NYE-RIC, es una alianza a través del estado que se enfoca en acelerar el desarrollo y despliegue de innovación para una mejoría dramática en la eficiencia de energía en edificios, manejando una demanda global en un mercado del cual se espera un crecimiento dramático durante las próximas décadas. Como un modelo nacional para revitalizar comunidades enmohecidas NYE-RIC desarrollara R&D y ventajas de la manufactura avanzada en el

Norte de Nueva York, al igual que desarrollara una fortaleza financiera excepcional, medios, y bienes raíces en el área metropolitana de la ciudad de Nueva York. La inversión cual se propone de \$225 millones, incluyendo \$150 millones de recursos federales y privados, catalizados por \$75 millones provenientes de múltiples recursos en el Estado de Nueva York, resultaran en la creación de miles de empleos en las áreas de iniciativas verdes / economía-limpia.

Programación de Mercadeo de Comestibles y Agricultura

Nueva York Central está extraordinariamente equilibrado para ser la casa de la agricultura de Nueva York si puede coordinar sus recursos naturales y de agricultura para crear sistemas más robustos para alimentos locales y para mercadear la iniciativa y producción de energía regionales.

Turismo en las Artes y la Cultura

Nuestra región tiene oportunidades abundantes en las artes y cultura, ofrece calidad mundial desde artistas con estudios individuales a grandes escenarios y producciones. Tenemos que acceder audiencias más amplias e identificar maneras de establecer apoyo e inversión de la comunidad para que las artes alcancen mercados nacionales e internacionales.

Proyecto Cumbre

Una firma millonaria - fortune 1,000 - esta considerando una expansión en múltiples regiones en el norte del estado de Nueva York con el potencial de generar más de 1,000 empleos. Para lograr acomodar este anticipado crecimiento el proyecto comprometerá instituciones universitarias a través de internados, desarrollo de currículo, y oportunidades de empleo para cumplir con la demanda de la fuerza laboral.

❖ Conectando Personas, Trabajos, y Viviendas

Programa de Inversión Uso-Mixto en Municipalidades

El programa Restauración Nueva York fue uno con éxito que proveyó apoyo financiero a proyectos de Uso-Mixto de diferente volumen a través del estado. El programa probó ser de utilidad crítica en lograr movimiento en el área de construcción comercial y residencial en las municipalidades de Nueva York Central. El Estado de Nueva York tiene que considerar la creación de programas similares para inversión de uso mixto.

Conectividad/ Infraestructura Banda ancha

En un mercado cada vez más interconectado, la alta velocidad tiene que estar presente, acceso económico al Internet banda ancha es un componente esencial para economías prosperas tanto en comunidades urbanas como en rurales. Las áreas rurales necesitan estrategia que apoyen inversión en banda ancha para conectar a sus ciudadanos unos con otros y a una mas amplia economía. En nuestros centros urbanos, instituciones grandes fuerzan costos competitivos,





Courtesy of Syracuse University

pero compañías e instituciones mas pequeñas continúan en desventaja. Liderazgo del estado puede abrir oportunidades para desarrollar un mejor y más inclusivo ecosistema de banda ancha.

Región - Estrategia de Revitalización de Puertos

Para abrir su potencial económico, el Estado de Nueva York puede ser un líder en el desarrollo de programas de líneas de costa enfocados en las inversiones municipales de revitalización, mercadeo, contratación de negocio y exportación.

❖ **Alineamiento de la Fuerza Laboral**

Dile Sí a la Educación

Es en Syracuse cuando por primera vez es puesto en práctica en todo un distrito escolar, "Dile Sí a la Educación", está equilibrado para ser visionario y está a punto de convertirse en el modelo de respuesta para el problema de educación y el desarrollo económico en los centros urbanos de toda la nación. El estado de Nueva tiene que ayudar a expandir la academia de verano Dile Sí en todas la regiones de los cinco condados y proveer más oportunidades de becas para adelantar a nuestros jóvenes aspirantes.

❖ **Innovación de Infraestructura**

Fondos - Innovando el Norte del Estado

El centro de Nueva York tiene un robusto ecosistema de innovación a través del R & D (por sus siglas en inglés R&D) en las instituciones académicas y una infraestructura de apoyo fuerte que acelera el desarrollo de las compañías en etapas tempranas. Sin embargo, el estado no tiene una continuidad para financiamientos de programas ni exenciones de impuestos para ayudar a nuevas empresas en sectores de tecnología. Las alianzas privadas e institucionales de la región están trabajando para capitalizar en proyectos de riesgo aun así crítico para acelerar el lanzamiento y crecimiento de nuevas compañías.

CNY REDC - Lo que Esperamos de Destinatarios de Fondos

Para maximizar el valor de fondos del Estado de Nueva York, el CNY REDC fuertemente exhorta aquellos que reciben fondos a través de este proceso a:

1. Reinvertir en la

comunidad - Reinvertir algún por ciento de los fondos del proyecto en fondos giratorios comunitarios para generar avance adicional de nuestras oportunidades de transformación colectiva.

De esta manera, Nueva York Central pudiera estabilizar inversiones limitadas del sector público, y alimentar fondos sostenidos para aportar al desarrollo de las artes, investigación, innovación, rendimiento educativo (k-20), y la inclusión de arte pública e infraestructura verde en nuestros espacios públicos, entre otras prioridades.

2. **Uso de Labor Local** - CNY REDC exhorta, al máximo siempre y cuando sea práctico, el uso de labor local, ambos uniones y no-uniones para realizar proyectos con fondos a través del Concilio regional. También los exhortamos a seleccionar licitadores responsables, aquellos que reciben fondos a través del concilio se les exigirá reportar al sobre la utilización de labor local y costos al terminar sus proyectos
3. **Utilizar Minorías, Negocios Propios de Mujeres y Veteranos** - El CNY REDC reconoce la importancia crítica de empresas de minorías, mujeres y veteranos, y fuertemente apoya la continua capacidad de crecimiento de estas empresas. El Concilio también exhorta, a su máxima capacidad siempre y cuando sea práctico, el uso de MWBEs (por sus siglas en inglés MWBEs) que excede los existentes estatutos para completar proyectos que son financiados por el Concilio Regional. Es nuestra intención trabajar con auspiciadores de proyectos y MWBEs (por sus siglas en inglés MWBEs) para facilitar conexiones significativas de negocios que puedas asistir a alcanzar estas metas. Destinatarios a los fondos, se les exigirá reportar sobre la utilización de labor local y costos al terminar sus proyectos.

Al invertir en estas estrategias a largo plazo, y comenzando con los proyectos que tienen prioridad y tácticas descritas en este plan de estrategia. Nueva York Central está construyendo en una base transformadora con prosperidad sostenible y hacia el futuro. ●

20 Regional Assessment of Existing Conditions and Economic Opportunities

CENTRAL NEW YORK DEMOGRAPHICS & ECONOMIC SNAPSHOT

Counties:	Cayuga, Cortland, Madison, Onondaga, and Oswego
Square Miles:	3,582
Population:	791,939 (2010 Census)
Total Jobs:	359,900 (NYS Department of Labor, 2011)
Gross Metropolitan Product:	\$32.4 Billion (Moody's, 2009)
Unemployment:	7.8% (NYS Department of Labor, 2011)

Central New York's current and future economic outlook is defined by a focus on innovation, a growing diversity of occupational and industry concentrations, and a track record of collaboration that has improved the region's adaptability to fluctuating markets and economic conditions. Though Central New York was hit hard by the economic recessions of the early 1990s and late 2000s, the region has outperformed much of the state and nation on a number of indicators (e.g. its relatively low unemployment rate). The region now boasts a diversity of strong industry clusters mixed between knowledge-oriented services and advanced manufacturing products.

As a response to the closing of large manufacturing facilities, including General Motors, Carrier, Magna Powertrain, Buckbee Mears, Nestle, Miller Brewing, and Bombardier, Central New York has purposefully restructured its economic development efforts to prioritize innovation, both in the

transformation of legacy businesses and industries as well as in the development of new products and new ventures.

The region has looked to leverage its large student population by placing new emphasis on the retention and attraction of young talent to the region. Colleges and universities have encouraged student entrepreneurship and have partnered with local young professional groups to encourage civic engagement, a response to decades of sustained population loss and brain drain.

In response to dramatically low high school graduation rates in the region's urban school districts, local stakeholders from education, government, and private business have partnered with Say Yes to Education Inc. to create comprehensive support initiatives that are becoming nationally recognized models.

The region's communities have prioritized the revitalization of historic and underutilized spaces into mixed use development corridors; sought to rebuild density in central business districts, including downtowns and village centers; and championed renewed investments in public spaces while embracing a vision of total community prosperity.

Efforts to move the region's economic well-being firmly into the 21st century have been significant and have attracted national attention. The region has partnered with national foundations and think tanks, including CEOs for Cities, the Ford Foundation, the Brookings Institution, the Kauffman Foundation, the Surdna Foundation, and the Annie E. Casey Foundation. These collaborations with these foundations

REGIONAL TERMS

- Central New York (CNY) or "the region" — Cayuga, Cortland, Madison, Onondaga, and Oswego counties
- Central Upstate Region — Cayuga, Cortland, Madison, Onondaga, and Oswego counties, plus Herkimer, Jefferson, Lewis, Oneida, St. Lawrence, Seneca, and Tomkins counties
- Syracuse or City of Syracuse — municipality of Syracuse
- Syracuse MSA (Metropolitan Statistical Area, U.S. Census Bureau) — Onondaga, Oswego, and Madison counties

and national experts are working to grow wealth, wages, and population.

In developing a regional economic development plan for the next five years, Central New York recognizes the following assets and conditions as key components of its economic development strategy, while acknowledging those areas that require further attention to alleviate barriers to economic growth.

2.1 EXISTING CONDITIONS: PRIMARY ASSETS

2.2 ECONOMIC DEVELOPMENT OPPORTUNITIES

Economic Diversity Across Occupational and Industry Clusters

Central New York's approach to crafting a regional economic development strategy has used both occupational and industry clusters as a basis for analysis. Industrial clusters indicate the growth rate of an industry within the region, and how competitive the resources of the region are to support that industry. Occupational clusters do a better job of identifying the core competencies of the employment base within the region, and can provide a snapshot of the strength of the labor supply and its ability to support business growth and attraction. Both are valid approaches to analyzing the region and an analysis of both indicates that Central New York has particularly diverse strengths in both specific industries and specific occupations.

The region's most significant occupational clusters are knowledge/learning (28,200 employees, from school teachers

to college professors), medical services, engineering, electronic services, and insurance (*Catalytix*, 2003).

The Battelle Memorial Institute's 2011 analysis of Central New York's five-county region shows that among our strongest emerging industry clusters are research and engineering services, which had employment growth of 35 percent between 2001 and 2009, and software and Internet services, which grew by 9.2 percent for the same time period.

Specifically, both established and growing economic industry sectors in the region include:

- a. Clean Energy and Environmental Systems
- b. Health, Biomedical Services, and Biosciences
- c. Financial Services
- d. Agribusiness and Food Processing
- e. Advanced Manufacturing
- f. Tourism

Clean Energy and Environmental Systems

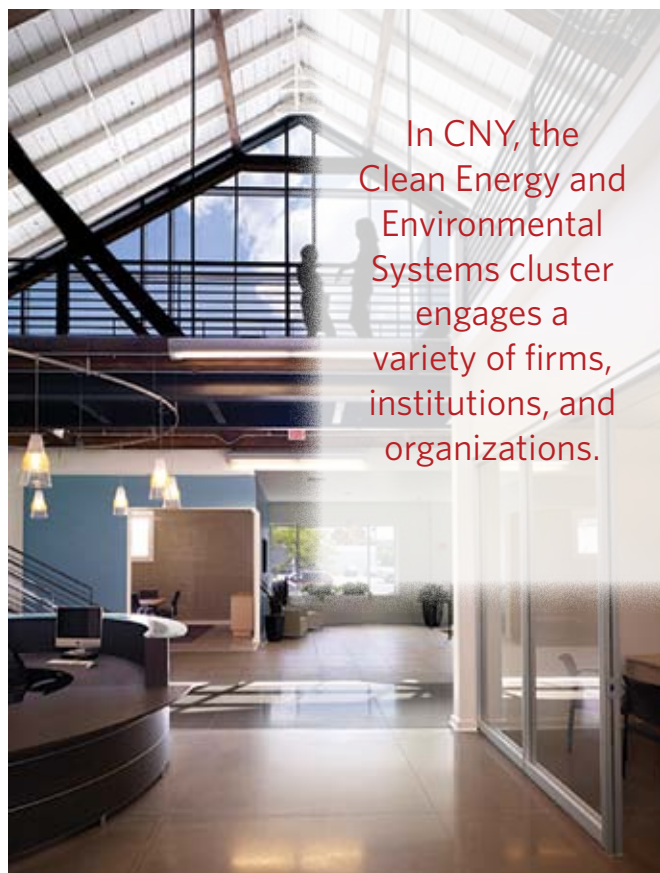
Central New York has a well-established regional innovation cluster in Clean Energy and Environmental Systems (CEES) that is poised to emerge as an international leader in research, development, deployment, and exporting of products and services that address critical global challenges. The CEES cluster is the cornerstone of the region's broader clean economy, which includes **more than 10,000 jobs and ranks eighth out of the nation's 100 largest metropolitan areas** in concentration of green jobs in the private sector (Brookings¹, 2011).



The region boasts a diversity of industries, from knowledge-based services to advanced manufacturing products.

Operators at the Novelis manufacturing plant in Oswego.

Courtesy of Novelis



King+King Architects transformed a former factory into its new LEED Platinum headquarters, the highest level of green building certification.

Courtesy King+King Architects

CEES includes multiple technologies and innovations that operate together as integrated systems, including supply chains of raw materials from local sources. The five-county CNY region has been home to innovators and entrepreneurs who have developed pioneering advances in several key CEES market sectors, including:

- ❖ Heating, ventilation, and air conditioning (HVAC)
- ❖ Water resources, including drinking water supply and wastewater treatment
- ❖ Indoor and outdoor air quality
- ❖ Energy production from renewable sources, including biomass and wind
- ❖ Sustainable materials management

Since 1996, Central New York firms and institutions have collaborated to develop and implement innovations and best practices in this field, including building unique infrastructure for research and development and active channels for industry-university collaborations. Today, CEES is a vibrant cluster that engages a broad variety of synergistic and complementary firms, institutions, and organizations—including biosciences, manufacturing, engineering, architecture, construction, and transportation firms; farms; the region's colleges and universities; and its innovative municipalities and

counties that have longstanding commitments to promoting sustainable use of materials and natural resources.

The region's CEES cluster has outstanding capabilities in multiple areas, including:

- ❖ **Green Building Energy and Environmental Systems:** Products and services that improve energy efficiency and indoor environmental quality in green buildings.
 - ❖ **Biomass Thermal Energy Systems:** Technologies and services (including supply chains of raw materials from local sources) that utilize woody biomass to produce thermal energy.
 - ❖ **Clean and Renewable Energy:** Advancements that reduce emissions from fossil fuels, and deployment of solar and wind technologies to produce power from local sources.
 - ❖ **Water Resources:** Systems that leverage regional strengths in green infrastructure, wastewater treatment, drinking water supply, remediation of polluted water bodies, and access to abundant qualities of fresh water.
 - ❖ **Controlled Environment Agriculture:** Systems that combine regional strengths in building technologies and agriculture to provide food security, locally grown protein and vegetables, reduction in carbon footprint, renewable energy, and carbon sequestration.
 - ❖ **Nuclear Energy:** CNY is one of only three regions in New York State with nuclear power plants, which have the potential to be an important strategic asset, depending on state and federal energy policies.
- Central New York's capabilities in CEES are evidenced by a broad diversity of large and small firms that are working in the areas of:
- ❖ **HVAC and Building Systems Controls:** Air Innovations, Bitzer Scroll, Carrier, Fulton Companies, Haledyne, Indoor Controls, Intertek, Collabworx, McQuay, NuClimate Air Quality Systems, Propulsive Wing, SenSyr, among others
 - ❖ **Green Architecture and Construction Services:** Arcadis, Agora Group, Ashley-McGraw Architects, C&S Companies, GHD, King+King Architects, Northeast Green Building Consulting, Open Atelier, VIP Structures, among others
 - ❖ **Air and Water Purification Technologies:** Inficon, Orthosystems, Pall Corporation, Source Sentinel, among others
 - ❖ **Professional Environmental Services:** O'Brien & Gere, Natural Systems Engineering, SRC, among others
 - ❖ **Professional Energy Services:** CDH Energy, Warner Energy, among others

- ❖ **Academic and Research Institutions:** Cayuga Community College, Morrisville State College, Onondaga Community College, SUNY College of Environmental Science and Forestry, SUNY Oswego, SUNY Upstate Medical University, Syracuse University, Tompkins Cortland Community College, among others

Central New York's CEES firms and institutions have collaborated to advance this cluster as a key element of previous regional economic development plans, including *Vision 2010* and the *Essential New York Initiative*. Accomplishments to date include:

- ❖ **Established collaborative enterprises to accelerate CEES innovations:** New York Indoor Environmental Quality Center, Inc. (2001); Environmental Quality Systems STAR Center (2001); Syracuse Center of Excellence in Environmental and Energy Systems (2002); and The Clean Tech Center (2009). To date, these enterprises have engaged more than 200 firms and institutions and attracted more than \$100 million in state and federal funding to the region.
- ❖ **Recruited six companies to the region:** Agora Group (from Virginia), Bitzer Scroll (Germany), Haledyne (Ohio), Open Atelier (California), ProTerra LED (Canada), and SunEnergy Europe (Germany). These companies currently employ 100 and plan to grow to employ 500.
- ❖ **Assisted existing companies to develop new products and services:** Air Innovations HEPAiRx (ventilating room air purifier), Collabworx (building energy and environmental control software), NuClimate (Q Air Terminal energy-efficient HVAC system), O'Brien & Gere (air quality systems integration innovations), Orthosystems (sensors for water quality).
- ❖ **Supported the launching of new companies:** Antek, e2e Materials, Indoor Controls, SenSyr, Source Sentinel, SynairCo, Propulsive Wing.
- ❖ **Commercialized innovative technologies:** Propulsive Wing (personal air filtration system) has created more than 100 jobs locally to date through tech commercialization.
- ❖ **Created unique resources for research, development, and demonstration:** SyracuseCoE's headquarters, a globally unique facility for CEES research, development and demonstration.

The world's most energy-efficient data center, a partnership between Syracuse University and IBM that includes a unique gas-fired integrated system that generates electricity (both AC and DC), cooling and hot water.

A national testbed for building envelope systems technologies.

- ❖ **Earned national and international recognition:**
 - Hosted the International Society for Indoor Air Quality and Climate's Ninth International Healthy Buildings Conference in 2009, attracting 1,700 participants from 44 nations.
 - The Clean Tech Center operated by CenterState CEO was named sixth on a top-10 list of "the world's best cleantech cluster organizations" in 2010.
 - SyracuseCoE received a leadership award from the U.S. Green Building Council in 2010.
 - Building on a well-known record of multiple communities across Central New York, Onondaga County and the City of Syracuse were recognized by the U.S. EPA in 2011 as one the nation's leaders in implementing innovations in "green infrastructure."

Health, Biomedical Services, and Biosciences

Health and Biomedical Services

Due to the United States' aging population, advances in medical technologies, and increased life expectancies, employment in the health service industry is projected to increase 26 percent through 2014, compared to 13 percent for all industries. According to the Bureau of Labor Statistics, the health care and social services industry is one of the largest industries in the country with 18.5 million jobs projected for 2014. This is an increase of 4.3 million jobs in 10 years. Overall the health care industry is projected to be one of the fastest-growing industries and it is expected to account for one out of every five jobs created by 2014.

Central New York holds a unique set of health care assets, including a large number of acclaimed health care institutions, high quality academic medical and nursing colleges, global bioscience and medical technology companies, and several prestigious higher education institutions with significant research capability. There are close to 1,500 physicians in Onondaga County alone. Throughout Central New York, 427 private physician practices were responsible for \$1 billion in employment of 5,947 physicians and staff members. **The region's hospitals generate \$3.1 billion in economic activity.**

According to Battelle (2011), the health sector, which includes hospitals and health services, has been a strong and steady national growth sector in recent years, adding such jobs as scientists, medical/clinical lab techs, and science techs, through the depths of the recession. Central New York has seen similar gains, growing by 16.2 percent from 2001 to 2009 while the nation grew 15.3 percent.

While the sector is considered to be locally oriented and service-based, the fact that it enjoys a 13 percent higher level of concentration in the region when compared nationally demonstrates its ability to serve patients outside of Central New York, bringing new wealth into the region. Moreover, "its role as a major job driver in



Biosciences are a major driver for research and innovation in CNY, impacting several core industry clusters.

Golisano Children's Hospital, an expansion of Upstate Medical University in Syracuse
 Courtesy of CenterState CEO

recent years cannot be ignored. Both major components of the regional cluster have seen steady strong job gains—hospitals have added more than 1,600 jobs since 2001 and outpatient and residential health services have added more than 1,200 jobs locally.” Battelle (2011) estimates that in 2009 this cluster employed 20,413 people in the region. Additionally, hospitals, nursing homes, and physician offices tend to cluster in central cities throughout the region, and provide a growing job base conveniently located to inner city residents. In Syracuse alone, recent and ongoing construction at Crouse Hospital, St. Joseph's Hospital Health Center, SUNY Upstate Medical University, and the Veterans Administration Medical Center exceeds \$500 million. This has provided significant construction employment through the recession and recovery. In addition, health is one of the clusters that experienced double digit growth in real wage rates over the time period, with a 21.4 percent increase in the region (Battelle, 2011).

Biosciences

The biosciences cluster consists of highly specialized firms primarily engaged in biotechnology and life sciences research and development, biomedical services, pharmaceutical manufacturing, the manufacturing of analytical instruments and medical devices, and research, testing, and medical laboratories. In 2011, Battelle reported that the five-county region has 4,384 jobs in this cluster, and a location quotient of 1.41. Battelle also noted that **biosciences are the number one R&D**

cluster for the region's academic institutions (Colgate, SUNY Cortland, SUNY College of Environmental Science and Forestry, SUNY Oswego, SUNY Upstate Medical University, and Syracuse University).

CNY has a foundation to grow as a leading national and international health and bioscience cluster, as evidenced by:

- **Industry**
 - World-class leader in medical diagnostics devices and biologic pharmaceuticals, such as Welch Allyn and Bristol-Myers Squibb.
 - Leading companies whose products and technologies support the bioscience industry, such as Pall Corporation, Biospherix, Modular BioPharm Systems, and AMRI.
 - Companies that have become leaders in their fields, such as Infimed, Volpe USA, Global Instrumentation, Rondaxe, Acrolite, Intersurgical, and Glottal Enterprises.
 - Smaller companies that are positioned to grow, such as Blue Highway, OrthoSystems, and AptaMetrix.
- **Universities**
 - SUNY Campuses: Cayuga, Cortland, ESF, Morrisville, Onondaga, Oswego, Tompkins Cortland, and Upstate Medical University.
 - Syracuse University and Le Moyne College, as well as schools in nearby regions that have collaborative interests in bioscience: SUNY IT, Cornell and Clarkson.

- **Local centers, institutions, and partnerships**
 - Upstate Cancer Research Institute, Syracuse Biomaterials Institute, and the newly proposed, Trudeau-Upstate Center for Global Health and Translational Science.
 - Anticipated completion of the bio-incubator, CNY Biotechnology Research Center.
 - MedTech, the hub of the bioscience and medical technology industry in Upstate New York.
 - Recent public/private partnerships confirming the region's commitment to biosciences (e.g., recent transfer of Blue Highway from Welch Allyn to Syracuse University).

In addition to the assets listed above, the biosciences are a vital cluster in supporting other assets and economic activities associated with other targeted industry clusters described in this plan, in particular, clean energy and environmental systems, agribusiness, and advanced manufacturing.

Financial Services

The five-county region is an ideal location for large and midsize financial service companies to locate back office processing, customer service, and cybersecurity monitoring facilities. The primary drivers of this proposition, developed in consultation with Moran, Stahl & Boyer, with respect to site location in CNY are the availability of (1) a stable, efficient, trained, and affordable work force that is constantly replenished by the presence of many universities and colleges, (2) the immediate availability of relatively inexpensive real estate, (3) a strong telecommunications backbone in the urban centers in the region, (4) a relatively low cost of living and related high quality of life that includes good schools and short commutes, as well as (5) a location in the Eastern Time Zone of the United States that is close to the headquarters of many of the potential financial service companies who would choose to site operations in the region.

Some of the largest financial service companies in the country have already elected to site parts of their traditional backroom functions, including processing and call center activity, in Central New York. They include AXA/Equitable, BNY Mellon, Travelers, Wellpoint, and Excellus and its affiliates. Moreover certain locally headquartered insurance and third-party administrators have located their processing functions in the region, including POMCO and Peerless Insurance. In addition, JPMorgan Chase has partnered with Syracuse University to establish a \$30 million commitment to conduct cybersecurity monitoring of its various electronic platforms and create the next generation of global enterprise technology. This industry can build off the successful history of these large and successful companies that already have established sites in the region.

Central New York has experienced several recent success stories, including the relocation of 300 employees by AXA from New Jersey to Syracuse, and the rapid growth of BNY Mellon, which has created more than 1,100 jobs in the region in less than a decade. This provides evidence, beyond the studies, of the ability of this region to attract and support jobs from other parts of the Northeast.

Cybersecurity

Cybersecurity is a burgeoning field that encompasses consumer privacy, access provisioning, and identity management and application security. Each of these areas requires similar skill sets to many traditional service center processing center applications, and makes the siting of cybersecurity operations a parallel analysis to the traditional service center siting process. However, cybersecurity operations do not need to co-locate with the business to function. Like financial services, the region is uniquely positioned to support cybersecurity operations given its existing trained workforce, telecommunications infrastructure, and low cost of living and high quality of life for professionals.

Educational institutions located in or adjacent to the region already have existing cybersecurity programs and research:

Binghamton University	SUNY Institute of
Cornell University	Technology Utica/Rome
Le Moyne College	SUNY Oneonta
Rochester Institute of	Syracuse University
Technology	University of Rochester
SUNY Binghamton	Utica College
SUNY Geneseo	

In addition, the establishment of the JPMorgan Chase Technology Center on the Syracuse University Campus in 2007 laid the groundwork for developing customized cybersecurity technology and the training of technologists in a live private sector business environment. Today, JPMorgan Chase performs mission critical functions, such as security monitoring, identity and access control, and risk assessment for its worldwide operations from the center. This experience can be leveraged by other companies looking for cost-efficient sites to conduct cybersecurity functions.

Insurance

Batelle (2011) identified the insurance industry as a significant subcluster within financial services and insurance. This cluster with 8,533 regional jobs is in a concentration that is 57 percent greater than the nation. **The average wage in the insurance cluster is \$58,543 (2009), which is substantially above the average wage for the region.** The average wage in this cluster has grown by 10.4 percent between 2001 and 2009, outperforming the national average and far outpacing the region's wage growth over that same period, which was

2.7 percent between 2009 and 2011 (2011). Insurance also demonstrates an above average productivity level compared to the United States.

There is also a growing linkage between the insurance industry and the area's academic institutions. In recent years both SUNY Oswego and Utica College have established degree programs in business with a concentration in risk management to support the industry upstate. Until these two new curriculums were approved, the only other college in the state to offer a program in risk management was the College of Insurance in New York City.

Agribusiness and Food Processing

According to the 2007 U.S. Census of Agriculture (available from the USDA National Statistics Service), New York is:

- 2nd largest producer of corn for silage
- 3rd largest fluid milk producer in the country
- 5th largest producer of equine animals
- 6th largest producer of fruits, tree nuts, berries
- 7th largest producer of Christmas trees
- 8th largest producer of vegetables for market

As such, Central New York is uniquely poised to be the “hub” of New York agribusiness. The region, like the rest of New York State, has a very diverse agriculture and food system. There is a wide array of commodity and specialty crops produced here, along with milk, meat animals, poultry and eggs, forestry, and ornamental horticulture. For example, Central New York's mucklands give the region unique commercial crops, such as onions and lettuce; the warmth of Lake Ontario produces the fruit-belt; and we are the home of the “Great New York State Fair” and the New York Farm Show. This industry is strong and seeing steadily increasing demand for dairy products, animal feedstocks, and feedstocks for the growing biofuels industry.

Additionally, **agribusiness is a significant rural employer with both large and small entrepreneurial enterprises.**

There are several key institutions that make the agriculture and food sector crucial to Central New York's economy and economic development strategies. Higher

education programs at Morrisville State College are very important to the sector. Morrisville leads the state in many innovative agriculture technology demonstrations. The college and its students participate in several programs that offer experiential learning in agritourism, marketing, entrepreneurship, and value-added agriculture, such as Nelson Farms and the New York Equine Testing Facility in Madison County's Equine Alley. Likewise, Cornell University, and indirectly via the Cornell Cooperative Extension, continues to support production agriculture education outreach, and is crucial to rural and urban health and wellness support programs. Each of the five counties hosts a Cooperative Extension office. And, Cornell is responsible for delivering Market Maker software to New York State, a very deep and broad database that provides critical supply chain information for food systems.

Food and agriculture private sector organizations and cooperatives in Central New York are also key actors in the region's agribusiness economy. Most notably is Dairylea Cooperative, Inc. The largest dairy cooperative in the Northeast United States, Dairylea is a strong affiliate to the nation's largest dairy cooperative, Dairy Farmers of America, Inc. Unlike other regions, Central New York has resources to address many supply chain partners, like the Oswego Vegetable Growers cooperative. And there are incredibly strong regional producers and food companies, such as Byrne Dairy, Gianelli Sausage, New York Baking Company, and many others. HP Hood in Oneida is the nation's largest producer of eggnog.

There are many great food distribution and related companies in CNY—like G&C Distributors, Sysco, and Cavallaro/River Valley—that continue to expand and add jobs. Though not contained exclusively in this cluster, transportation and logistics in the region as a whole have continued to grow and are up nearly 6 percent since 2001. Further, due to the region's history in food processing, quality food grade processing infrastructure exists in communities like Fulton, New York, with facilities formerly occupied by Birds Eye and Nestle.

The Central New York region also has vast working landscapes in support of its agriculture and forest industrial sectors. From the Tug Hill to Tully Valley, the region's natural resources have a long history of production and employment. While industrial trends have changed over time, these sectors continue to provide economic opportunity for the region and state as a whole. The vast majority of this working landscape is in private ownership. To remain viable, strategies, policies, and programs are necessary to assist landowners in retaining these landscapes, and to support agriculture and forest-related economies. Through tax policy and land conservation efforts, including working landscape easements, the region can retain these economic sectors and a landscape character that is valuable to residents of the region.



CJS Vineyard

Photo by Kristian Reynolds | Courtesy of Cayuga County Tourism



New York is the eighth largest producer of vegetables for market.

Courtesy of Madison County Tourism

Advanced Manufacturing

According to the Manufacturing Research Institute, **in 2009, manufacturing employed 33,278 people in Central New York, which generated 17.2 percent of the private sector wages within the region, for a total of \$1.887 billion.** The upstate New York regional economy is home to more manufacturing jobs as a share of total employment than New York State as a whole and somewhat more than the United States. The upstate New York region's share of employment in this segment exceeds the state average by 4 percent and the national average by 5 percent.

The Advanced Manufacturing cluster includes *Digital and Electronic Devices, Packaging and Precision Metalworking, and Metals Production and Manufacturing* (as well as portions of *Biosciences, Clean Energy and Environmental Systems, and Agribusiness* that are discussed in other areas of this report).

Digital and Electronic Devices

The Digital and Electronics Devices cluster consists of both component manufacturers (e.g. semiconductors, integrated circuits) and end user products (e.g. computer-based instruments, radar and communications equipment). In 2011, Battelle noted that the Central New York region has 7,007 regional jobs and a concentration that is more than twice that of the nation (its location quotient is 2.33).

The region's largest subsectors are navigational instruments, communications equipment, electronic components, communications wire and cable, and electronic controls. Leading firms in our region include

Lockheed Martin, SRC and Saab-Sensis, Anaren, Eagle Comtronics, and John Mezzalingua Associates. There is also significant crossover into the energy and environmental systems area by such firms as Inficon and International Controls and Measurements (ICM).

Battelle (2011) also noted that "Digital and Electronic devices grew 6.7 percent from 2001 to 2007 in the five-county CNY region, while declining 4.2 percent during the recession from 2007 to 2009, for an overall growth rate of 2.2 percent over the entire period. While this on the surface may not appear to be significant growth, it is important to keep the national context in mind. During the same period, the national industry declined by 28.2 percent. During the recession from 2007 to 2009, it declined an additional 11.5 percent. A leading factor for this impressive growth for Central New York was the large *Instruments and Electronics* subsector, which grew 81.1 percent over the eight-year time period, adding more than 2,000 regional jobs and leading to a specialization that is five times as concentrated as the nation. This was followed closely by the *Computer Hardware* sector, which is more modest in size in the region but grew 71 percent since 2001 while the nation declined by 41.4 percent, resulting in a concentration of that industry subsector that is more than 42 percent more specialized than the nation."

Battelle (2011) also found that this cluster has been among the region's top performers since 2001 as it has had consistently high average wages and has led all other clusters in real wage growth in the past decade.

At a time when global markets related to security, aerospace, and defense continue to grow, the cluster's

- The *Instruments and Electronics* subsector grew 81.1 percent from 2001 to 2007 and added 2,000 regional jobs. This specialization is five times as concentrated as the nation.
- The *Computer Hardware* sector grew 71 percent since 2001 while the nation's declined by 41.4 percent, resulting in a concentration of that industry subsector that is more than 42 percent more specialized than the nation.

specific strength serves as a significant opportunity for continued growth within the region. For instance, the surveillance equipment market reached \$78 billion in 2009 and is expected to be a \$139.2 billion market by 2015. In addition, the remote sensing products market is expected to experience robust growth—\$8.2 billion in 2009 to \$11 billion by 2014. Finally the global sensors market is expected to grow at a Compound Annual Growth Rate of 7.8 percent to become a \$91.5 billion market by 2016.

Battelle (2011) also identified this sector as one of the leading generators of patents for the region. The 857 patents “invented and assigned in the five county Central New York Region, including national class categories with more than five patents from 2001 through the end of the second quarter of 2011” (Source: Thomson Reuter's Delphion patent analysis data base) were as follows:

Electrical Connectors	139
Electricity: Electrical Systems and Devices	68
Wave Transmission Lines and Networks	37
Electricity: Conductors and Insulators	30
Electricity: Measuring and Testing	22
Electricity: Switches, Magnets, and Electromagnets	7

A total of 303 of the 857 patents attributed to the region were in the Digital and Electronic Device sector, representing fully 35 percent of the patenting activity of the region.

Among the assets in Central New York that support the industry is the Center for Advanced Systems and Engineering (CASE) at Syracuse University, which is a NYSTAR Center for Advanced Technology. CASE is New York State's premier applied research center for interdisciplinary expertise in complex information intensive systems, including monitoring and control, predictive analysis, intelligence, security, and assurance. Among the specialties at the CASE Center are sensor networks and management, microwave systems and antenna design, and communications systems and networks.

Metals Production and Manufacturing

Metals Production and Manufacturing is 71 percent more concentrated in the Central New York region than the nation with 4,946 regional jobs (Battelle, 2011). This industry cluster is composed of such firms as

Feldmeier Equipment, Oberdorfer, Novelis, Crucible, and Hammond & Irving. While employment in this cluster has declined 26.4 percent since 2001, this is less than the decline of this sector for the nation. There are also two subsectors of this cluster: Nonferrous Metals with 1,735 employees in 2009, which is four times more concentrated in this region than the nation as a whole, and Iron and Steel, which employed 1,370 people in 2009, which is 2.35 times more concentrated here than the nation. On average, CNY employees in this sector are more productive than those in the nation, delivering 105 percent of national output.

Precision Manufacturing

Precision Manufacturing, a once dominant industry in the region, has been hard hit by the recession and the reduction in employment at Magna in East Syracuse. As recently as 2007, this cluster employed 8,918 people in the region, but has dropped to 3,457 in 2009 (Battelle, 2009). Its location quotient has dropped to 1.13. However, the average wage paid in this industry (\$57,835) is considerably above the region's average wage (\$39,771) and is higher than the national average in this industry (\$53,356) (Battelle, 2011). It is also a cluster with an above average productivity level, being 6 percent higher than the national average.

The advanced manufacturing sector in general tends to align with the region's top exporting sectors. A 2011 analysis by the Brookings Institution indicated that the region's major export industries are Machinery Manufacturing, Chemical Manufacturing, Computer and Electronic Product Manufacturing, Primary Metal Manufacturing, and Transportation Equipment Manufacturing.

Tourism

Visitors to the Central New York counties of Cayuga, Cortland, Madison, Onondaga, and Oswego spent more than \$1 billion in 2009. This spending helped generate more than \$135 million in state and local tax revenue. This level of travel spending equates to nearly \$442 in tax relief for each household in the five-county region. Throughout the region, more than 24,000 jobs are supported by tourism spending. These jobs carry a payroll of roughly \$543 million.

The five counties of the Central New York Regional Economic Development Council fall into three distinctly different marketing regions under the State Tourism Office: the Finger Lakes, 1000 Islands, and Central New York. Each marketing region offers different outreach messages and methods, and each county tourism office engages in marketing, sales, and tourism development initiatives constructed around product strengths and identified targeted audiences. Individual tourism businesses and organizations provide additional outreach capacity to the area's overall efforts through marketing, sales, and promotional attempts.



More than
24,000 jobs are
supported by
tourism spending.
These jobs carry a
payroll of roughly
\$543 million.

The Art and Wine Festival in Cortland

Courtesy of Cortland County Tourism

Tourism market segments/core products for the region

- ❖ **Conventions:** Tourism business within Central New York is diverse and varied from conventions and meetings to leisure to sports-related to personal business to transient to corporate and business travel. Although convention attendees spend their time predominantly in a meeting facility, their impact is felt by local hotels, restaurants, transportation providers, and retailers. They are attracted to the area because of easy transportation access, relative affordability, a local commitment to customer service, and popularity.
 - ❖ **Sporting Events:** Sporting events include both spectator and participatory sports. In some cases, the event provides the motivation for the trip (triathlons, fishing, golf, hunting, hiking, snowmobiling, skiing, equestrian). In other forms, the sporting event provides the motivation for an extended stay or repeat trip (Syracuse University athletics, Syracuse Chiefs, Auburn Doubledays, New York Jets training camp, Syracuse Crunch, the International Boxing Hall of Fame). Spectator sports often can fall into either category—attractor or attraction.
 - ❖ **Leisure Travel:** Leisure travel is the most vital part of the region's portfolio. Visitors cite numerous reasons for leisure trips to Central New York and engage in a wide variety of activities while on those trips. Shopping is the top visitor activity throughout the region with Carousel Center being the primary, but certainly not the only, retail experience in the region.
- Outdoor recreation is abundant with plentiful lakes, rivers, ski resorts, and both state and local parks. The region is rich in culinary experiences from wine tours around Cayuga Lake and the rest of the Finger Lakes, breweries, farm experiences, and numerous locally owned, recognized restaurants.
- ❖ **Arts and Culture:** The area has a vibrant history of fostering the arts, and visitors today flock to cultural offerings, including museums, performances, and numerous individual artists that turn simple ideas into intricate works of art for retail or for enjoyment. The area's colleges and universities add to the array of culture and serve also as primary travel destinations for thousands of students, alumni, friends, and family. Central New York embodies a history that is emblematic of the American experience. The region's past provides valuable appeal.
 - ❖ **Special Events:** Special events play a demonstrative role in attracting visitors to the region, including everything from sporting events (collegiate sports, fishing, equestrian, women's national bowling championship) to entertainment (concerts, festivals, national performers) to diverse exhibitions, each having a significant impact on the tourism industry. The list of year-round options is virtually endless and always expanding. Collaborative cultural events, such as the successful "Turner to Cezanne" exhibition hosted by the Everson Museum in 2009, produced community pride while also generating impressive return on investment.

New innovation centers are driving expanded research and construction on our campuses.



Development of a new Science & Engineering Innovation Corridor is under way at SUNY Oswego.

Photo by Jim Russell | Courtesy of SUNY Oswego

- ❖ **Hospitality Services:** The inns, hotels, and bed and breakfasts form the most critical infrastructure component of the tourism industry. These businesses provide the overnight accommodations for regional visitors as well as the tax collection point for funding marketing and product development initiatives. Transportation access, signage, and affordability are vital infrastructure components in Central New York. Special events and sports require competitive, up-to-date facilities and the region possesses an extensive number of both indoor and outdoor venues.

Globally Connected, Highly Educated, and Adaptable to Changing Market Conditions

The Central New York region possesses a unique mix of educational assets, a diverse talent base and compelling community resources that have made it highly adaptable to changing economic conditions. Those same assets uniquely position the region to increase its competitiveness at the local, state, and national levels to generate wealth and jobs throughout the region, while growing its economy in an increasingly global marketplace.

- ❖ **Entrepreneurship & Innovation:** It is estimated that higher education institutions in Central New York have invested roughly \$144 million in research and development in 2011. From 2001 to 2010, there were 12,400 patent applications from the Syracuse MSA; this ranks the region 55th nationally in intellectual property activity (Battelle, 2011). Since publishing the Essential NY initiative in 2003, the region has invested considerable resources in developing an infrastructure to support innovation and entrepreneurship. The prioritization of emerging business support has resulted in:

- Development of Tech Garden (a 33,000 sq. ft. regional technology incubator/accelerator and venture development program).
- Creation of The Clean Tech Center (a NYSEDA-funded clean energy incubator).
- Streamlining of small business services through NYS Small Business Development Center and delivered through regional SUNY partners at Onondaga Community College and SUNY Oswego.
- New innovation centers underway, including the Central New York Biotechnology Research Center being developed by Upstate Medical University, SUNY College of Environmental Science and Forestry, and the Syracuse Biomaterials Institute of Syracuse University.

The region is home to some of the top-ranked entrepreneurial programs in the country, including:

- Higher Education's collaboration in Enitiative and the Whitman School of Management, home to the Falcone Center for Entrepreneurship, the South Side Innovation Center, and the Entrepreneurship Bootcamp for Veterans with Disabilities.
- Syracuse has also gained a national reputation for inclusive entrepreneurship through such programs as Start-Up NY (a partnership between the Whitman School of Management at Syracuse University and SU's Burton Blatt Institute), and pioneering work through SU's acclaimed Near Westside Initiative.
- Community-based incubators support entrepreneurs in Madison County (Morrisville's Nelson Farms food incubator) and Cayuga County (Stardust Entrepreneurial Institute in Auburn).

- The Student Sandbox, a joint venture between The Tech Garden, Syracuse University, and 14 regional colleges and universities, is incubating more than 50 student ventures.
- The Central New York Technology Development Organization's Small Business Innovation Research Outreach program has resulted in more than \$200 million of federal research dollars being awarded to small businesses in the region to develop and commercialize their research.
- ❖ **Strong Higher Education Sector:** Across our five CNY counties, there are 13 colleges and universities enrolling more than 60,000 students. There are 35 colleges and universities with 130,000 students in the wider, 12-county region. This creates a broad and deep reserve of intellectual capital and innovative talent, as well as a highly educated population, with above average numbers of people with associate's, bachelor's or master's degrees (39.4 percent in the Syracuse MSA compared to the national average of 35.4 percent), and the knowledge/learning cluster is a significant employer.
- ❖ **Exports:** The Syracuse MSA produces \$3.6 billion in total exports, which is the equivalent of 10 percent of the region's total production and supports roughly 30,000 jobs. Of those exports, roughly 66 percent are manufactured goods and 33 percent are services. Analyses by the Brookings Institution have proven that industries involved in exporting pay comparatively high wages. Major export industries are the following: Machinery Manufacturing, Chemical Manufacturing, Computer and Electronic Product Manufacturing, Primary Metal Manufacturing, and Transportation Equipment Manufacturing.
- ❖ **Highly Educated Workforce:** CNY's highly productive workforce is often cited by regional employers as a major asset. Output per worker in 2009 was \$101,122, earning CNY a ranking of 21st among the top 100 metropolitan areas in the United States (Brookings, 2011). According to recent analysis from the Brookings Institution, 22 percent of the regional population has a bachelor's degree or higher, where 28 percent of the Syracuse MSA population has a bachelor's degree or higher. Further, the immigrant community in Central New York was classified by a report from the Brookings Institution in 2010 to be highly skilled.
- ❖ **Small Business:** Businesses with less than 100 employees dominate employment in Central New York. According to the New York State Department of Labor, 97.3 percent of all firms in Central New York have less than 100 employees. These firms employ just over half of all workers in the region.
- ❖ **Minority Entrepreneurship:** The U.S. Census Bureau reported that the number of minority-owned

businesses increased by 46 percent from 2002 to 2007. These new businesses are creating jobs and are a significant part of local economic growth. As one of the fastest growing segments of the small business community, minority-owned businesses are essential to strengthening our economy and our state competitiveness.

Since 2006, Syracuse University's South Side Innovation Center has worked with minority entrepreneurs in providing them with business incubation, development, education, market access, and credit assistance, using highly skilled trained professional counselors.

Distinctive Location Marked by Urban and Rural Diversity with Strong Municipal Centers at their Cores

The CNY region has five cities, 47 villages, and numerous additional hamlets and town centers that serve as hubs of innovation, employment, intellectual capacity, diversity, creative enterprise, and heritage tourism. Cities contain a high percentage of the region's jobs, with 37.7 percent of the metropolitan area's jobs located within three miles of downtown Syracuse. This is the sixth highest density of jobs among the top 100 metropolitan areas in the United States. (Brookings, 2009)

- ❖ **Crossroads of the State:** Syracuse is within six hours of more than 72 million people living in major metropolitan cities (62 million in the United States and 10 million in Canada). Fifty major cities are within 390 miles (42 in the United States and 8 in Canada). The region has a high-quality road system, key location at the intersection of I-90 (west-east) and I-81 (north-south), rail access, a major airport (Hancock International Airport), as well as many smaller runways, proximity to Lake Ontario and, through the Port of Oswego, access to the St. Lawrence Seaway.
- ❖ **Transit Accessibility:** Though representing a region defined by both urban and rural areas, the Syracuse MSA ranks 28th in the country in terms of its transit accessibility (Brookings², 2011). This means that roughly 35 percent of workers can reach their jobs within a reasonable amount of time by public transit. For a region anchored only by a mid-sized metropolitan area, Syracuse's transit accessibility is comparatively robust.
- ❖ **Energy Industry and Surplus:** A substantial energy-producing region, with major nuclear and gas fired-power plants, CNY sells its energy surplus throughout the state. National Grid and NYSEG are two highly reliable suppliers of electricity and natural gas. The region is on the northern edge of the Marcellus shale, and is building a renewable energy industry around wind, solar power, and biofuels. However, energy costs in the state are high as compared with the rest of the nation. This is primarily attributed to the state's



Washington Station, Syracuse

Courtesy of CenterState CEO

use of higher cost environmentally friendly power generation and high transmission costs to reach low density areas.

- ❖ **Land:** The area has a large amount of open land (parks, forest, and agricultural property); as a result, land prices are relatively low, contributing to the affordability of housing and of commercial and industrial sites.
- ❖ **Quality of Life:** Syracuse is one of America's best places to raise a family (top five according to Forbes.com and Yahoo.com) and is one of the top 20 greenest regions in America, according to Popular Science and National Geographic. The region's low crime rates, low overall cost of living, and water and recreational opportunities are also attractive to residents (Catalytix, 2003). Coupled with the region's relatively low housing cost (less than 30 percent of homeowners spend a third or more of their income on expenses related to owning a home), Central New York is often cited as having a high quality of life.
- ❖ **Water and Recreational Opportunities:** Through its proximity to the Great Lakes, CNY has access to 21 percent of the world's freshwater resources—an increasingly important asset. "From quality and quantity perspectives, the water position of the region is well above the benchmark average...many newer technology manufacturing processes require access to quality affordable water" (Catalytix, 2003). Therefore, water is a strength for industry attraction. It is also an amenity for its wide array of recreational and sports opportunities, helping with worker attraction and retention.

- ❖ **Emerging Urban Core:** The central business district of the region, Downtown Syracuse, has seen considerable reinvestment and growth in the past decade. Currently, Commercial and Residential Occupancy Rates are at 88 percent and 99 percent, respectively. Further, almost 80 percent of regional employment is located within 10 miles of downtown. Residential land-use has been more mixed between rural and urban/suburban areas with 60 percent of housing located in areas considered to be urban or suburban.

2.3 EXISTING CONDITIONS: OBSTACLES IMPEDING ECONOMIC GROWTH

While local economic assets abound, major obstacles impeding economic growth remain:

- ❖ **High Costs of Doing Business:** New York State ranked 48th in the nation (CNBC "Cost of Doing Business," 2011) on factors such as tax burden, income and property taxes, business taxes (particularly as they apply to new investments), utility costs, wages, and office and industrial rental rates.
- ❖ **Brain Drain:** Battelle (2003) states that "The region continues to lose younger workers, and lack of diversity may make it difficult to attract and retain talent," while Catalytix (2003) noted: "One of the biggest weaknesses within the region is the drain of talent that comes to the region for education then leaves the region after completing that education. Among the 25 regions benchmarked, the Upstate region ranks 23rd in the attraction and retention

of the college educated. Further, a University of Michigan study concluded that between 1990 and 2000, Syracuse lost a greater percentage of its 18-35 population than any other large metro area. There is also an explanation for this based on industry demand. Beyond production workers, the concentration of employment is lower, on average, in Central New York across each of the high-skilled occupational groups, including engineers, scientists, management, business and financial, computer-related, and technicians. In addition, the majority of these groups have not grown in recent years or grown but not kept pace with the national trend. Lower concentrations in these occupational groups signal less capability to drive corporate innovation and hire younger workers.

- ❖ **Innovation, Entrepreneurism, and Venture Capital:** CNY has made great strides in addressing this area of weakness with programs to promote the burgeoning base of new, technology-oriented companies. The region is also building stronger ties between major research institutions and the region's businesses as well as seeking a regional structure to create and strengthen business incubators. However, the level of venture investment is very low with Central New York having \$27 per capita, as compared with the U.S. average of \$933 available in per capita venture, while patent applications per 1,000 workers were significantly below the average for the 100 largest metro areas (13.5 vs. 25.9, national average. 13.5 is near the median for the country) (Brookings², 2011). Science, technology, engineering, or math (STEM) jobs in the Syracuse MSA equaled 37.2 jobs per 1,000 total jobs, versus 53.1 for all metropolitan areas.
- ❖ **R&D-Commercialization Disconnect:** Market analysis has indicated that commercialization of R&D could be improved in the region. For example, Battelle reports that the region is a leader in research related to some subsections of our region's industry clusters but in general, these relationships could be strengthened.
- ❖ **Fragmented Government:** Brookings found that in 2007 Syracuse MSA had 1.52 local governments per 10,000 people, ranking us 92nd in the top 100 metros. The national average for this statistic among the top 100 metros was 0.47. (Brookings, 2011).
- ❖ **Low Wages:** Syracuse's average annual wage in 2009 was \$39,990, 21.8 percent below the average annual wage of the top 100 metropolitan areas in the nation (\$51,163).
- ❖ **Poverty and Income Inequality:** The Central New York region's poverty rate is slightly above the national average (13.6 percent versus 13.3 percent for the 100 largest metros). The City of Syracuse poverty rate of 31.7 percent ranked Syracuse as the sixth highest

poverty rate in the country for central city poverty rates. Syracuse also has one of the highest levels of income inequality in the nation between its central city and suburban populations (Brookings², 2011).

- ❖ **Skill Shortages and Misalignment:** In spite of slow job growth and the large concentration of colleges and universities in the region, CNY employers still cite shortages in areas such as engineering, information technologies, and medical care as reasons for expanding elsewhere. This has been a long-term trend in this region.
- ❖ **Slow Job Growth:** The Syracuse MSA has lagged the nation in job growth. In 2009, the Syracuse MSA had 320,720 jobs, an increase of 21.8 percent over 1980. This compares with a 44.6 percent growth rate for the top 100 metropolitan areas during that same time period; the Syracuse MSA grew at less than half the national average over the last 30 years.
- ❖ **Limited Population Growth:** Following decades of population loss, the 2010 census showed Central New York's population (counties of Cayuga, Madison, Onondaga, and Oswego) grew by 1.4 percent to an all-time high of 742,603. Within Onondaga County, the population increased by 1.9 percent, the first population growth for the county since the 1990 Census. Madison County had a 5.8 percent population gain, ranking it the sixth fastest-growing county in the state. The census also found that the City of Syracuse, the region's urban core, has been able to stabilize and slow the decline of its population better than other upstate cities. However, the Syracuse MSA's 1.9 percent population increase since 2000 shows slow population growth compared with the national growth average of the top 100 metropolitan areas at 10.5 percent, indicating that robust population growth is not expected.

2.4 EXISTING CONDITIONS: SUMMARY

Collectively, the region has a breadth of existing assets, resources, and expertise in place to advance the goals and strategies outlined in this strategy. Much progress has been made over the last 10 to 15 years in implementing a regional approach to economic development. However, more work remains to achieve our holistic vision for sustainable economic success and enhanced quality of life. The following pages detail the issues and challenges to address, and the opportunities that lie ahead. By capitalizing on our assets, we will achieve our vision to make Central New York rich in opportunity for our region's innovative businesses, for our world-class workforce, and for all of our region's residents. ●

3.0 Economic Development Vision

The Central New York Regional Economic Development Council's vision for the region's five counties was developed through a deliberate mix of council input and public participation. The council's Vision Work Group built upon those insights, considered assets and challenges, and imagined broad-reaching yet attainable possibilities for our distinctive region. The resulting vision statement was vetted through leadership and the public, and drives our strategies that will propel the region and its people toward a more sustainable and competitive economy.

3.1 VISION STATEMENT

Innovation and collaboration will create opportunity for all who live and work in Central New York. We will take ownership over our future; operate in a nimble, efficient, and effective manner; and leverage our many assets—natural, agricultural, geographic, economic, educational, cultural, and human—to form a diverse, sustainable, and globally competitive economy while preserving and enhancing our region's treasured quality of life.

CNY will be **rich in opportunity**—for our region's innovative businesses, for our world-class workforce, and for all of our region's residents. We commit to investing in **targeted industry clusters** with comparative advantages and verifiable growth opportunities, including building on our region's globally recognized strengths in **clean technology and renewable energy**, among others. Collaborating across our five distinctive counties, Central New York will:

- Support our businesses' efforts to compete in the global economy by increasing **exports to global markets**, attracting foreign investments, producing products and services that are sought after around the world, and connecting our region to the world through expanded **broadband** infrastructure;
- Align local incentives to reflect the fact that **small businesses** drive our regional and national economy;
- Respect our region's **agricultural and manufacturing** heritage and ensure a sustainable future for agriculture and manufacturing by adapting our strengths to contemporary challenges, supporting value-added agricultural processing and locally-grown food products to broader markets;
- Support and nurture **innovation** in its many forms: through the creation of new products, new processes, and new ventures; and through the application of new ideas to existing businesses to maintain and build competitiveness;
- Continue to grow our high-profile "Eds and Meds" and expand our leading role in research and development while working to better leverage R&D into new jobs;
- Expand our recent investments in **entrepreneurs and risk-takers**, including our large student population, by providing the human, intellectual, and financial capital to explore new ideas that support the social, economic, and environmental progress of the region;
- Accelerate our region's emergence as a four-season **place of choice** and expand efforts to attract and retain residents and students;
- Recognize the central role that city, town, and village centers play in driving growth and build stronger and more **vibrant neighborhoods, municipal cores, and main streets** by leveraging existing infrastructure, building human capital, and promoting density in development;
- Encourage and reward creativity, recognizing the critical role of **arts and culture**, and promoting our region as a world-class **tourism destination**, leveraging our unique location as the gateway to the Finger Lakes, Adirondack Park, and St. Lawrence Seaway, and embracing our significant architectural and **historic heritage**;



Farm fields in Cayuga County
 Courtesy of CenterState CEO

- Make **smart land-use decisions** that respect the rural nature of much of our region while minimizing long-term impacts of sprawl by redeveloping existing buildings, brownfields, and industrial parks before supporting new greenfield development;
 - Maintain a **regional transportation system** (roads, rail, ports, and air) oriented around areas of economic growth while leveraging our **geographic location** at the center of North America's most densely populated corridor—within a day's drive of more than 130 million people, providing affordable, convenient mobility for goods to market and people to work, and supporting growth along corridors already available to public transit;
 - Leverage our region's considerable **water resources**, respect our environment, and accept that environmental stewardship and economic growth are not principles in conflict but rather are mutually supportive elements of a **sustainable community**;
 - Provide access to high-quality primary, secondary, and post-secondary **education** to our region's residents and align **workforce development** and training and education programs with existing and forthcoming economic opportunities, recognizing our highly skilled workforce as a unique asset and acknowledging that education is critical to the long-term success of both individuals and the region as a whole;
 - Support our **first-rate health care system** as both a critical service to the community and a major economic engine for the region;
 - Raise the standard of living for the individuals and families of our region by prioritizing **quality jobs** with career ladders (not simply focusing on the quantity of jobs created), doing so in a way that embraces our community's **growing diversity** and allows for New Americans, immigrants, refugees, and the traditionally under-served to share **equitably** in the benefits of regional prosperity;
 - Set the standard for cross-sector **collaborations** within the region, within the state, and around the world because new and meaningful ideas emerge at the intersection of diverse, existing knowledge; and
 - Enhance our regional competitiveness by identifying obstacles and opportunities, **advocating** for productive change in state and federal policies, including tax and regulatory reform, and being engaged and educated participants in the legislative and regulatory processes.
- In sum and most importantly, we will **take ownership of our own future** by becoming as **nimble, efficient, and effective** as we can be as a region—in particular through our **civic and governmental institutions**—to better enable the timely, complete, and successful implementation of this vision for our region. By holding ourselves and our partners **accountable** to this vision—through measurable outcomes—Central New York will be rich in opportunity for all who live and work here.

3.2 CENTRAL NEW YORK REGIONAL GOALS

Central New York is emerging as a national leader among metropolitan areas working to re-invent themselves. However, the region and the Central New York Regional Economic Development Council recognize that we have many challenges left and that our restored prosperity is *attainable* but not inevitable. Further progress requires a re-examination of our approach and a renewed commitment to our most catalytic strategies.

As mentioned in Section 2, the region has worked creatively and collaboratively to re-invent itself, gaining both the attention and support of significant national think-tanks and philanthropies, including the Ford Foundation, the Surdna Foundation, Say Yes to Education, the Kauffman Foundation, CEO for Cities, the Annie E. Casey Foundation and, most recently, the Brookings Institution. These relationships have placed the region in the midst of a national discussion about economic and community revitalization, and have brought

best practices from around the country to Central New York. Our region's plan has been deeply informed and influenced by these relationships, and by our growing understanding of the complex and inter-related nature of our region's economy with those of the nation and the rest of the world.

In pursuit of our vision and based on existing conditions in the region (Section 2), the Central New York Regional Economic Development Council has identified three priority goals to guide its work:



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets



Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies



Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods

This integrated, holistic approach is designed to raise average wages, reduce concentrations of poverty, retain more young people, attract more venture capital, support innovation and competitiveness within our region's businesses, and create dynamic cities that are talent magnets.

Central New York is committed to these goals, and will work cooperatively to implement the strategies (Section 4) necessary to attain them.

3.3 3.4

CRITICAL ISSUES TO BE RESOLVED

CRITICAL OPPORTUNITIES TO ADVANCE

Process

The CNY REDC determined that to accomplish the tasks required in the time allowed, to increase stakeholder and public buy in, and to gather a variety of viewpoints, it would establish work groups to assure that the council used a systematic process to review the various data points, recommend outcomes, and incorporate feedback. Work groups reported their findings at the CNY REDC meetings for member discussion, in the meeting's executive session, and public discussion and feedback in the meeting's open session.

These work groups, combined with previous research on the region by Battelle, Catalytix, and the Brookings Institution, have informed the council's prioritization of opportunities/issues and strategies/projects. (See Table 3.1 below)

Table 3.1: CNY Regional Economic Development Council Work Groups

WORK GROUP	PURPOSE	REDC MEMBERS	NON-REDC MEMBERS
Vision Work Group	<ul style="list-style-type: none"> Develop vision statement (with input/validation from county-level discussions and region-wide public forum) Determine goals and regional level performance measures Create criteria to establish priorities (CFA and project) Establish sub team to evaluate projects using project priority criteria and team expertise 	10	5
Public Participation Work Group	<ul style="list-style-type: none"> Develop public participation strategy Conduct public forums (Nine county-level discussions with key workforce development, economic development, government, and business participants; two region-wide public forums; one multi-media "Be Heard" campaign) Develop sustainability plan to ensure public engagement throughout five-year plan implementation 	10	16
Strategy Work Group	<ul style="list-style-type: none"> Complete Strategy White Papers to identify strategies and projects <ul style="list-style-type: none"> 13 Strategy White Papers produced (Cores - 1; Clusters - 8; Export - 4) Used common guidelines; for each topic develop background/data, determine strategies to support growth; propose tactical projects (more than 150 projects were proposed); discuss policy improvement recommendations Lead authors reached out to subject matter experts beyond the work group for best practices, trends, issues, opportunities Prepare five-year strategy implementation plans and budgets Complete priority project implementation plans, budgets, and CFA applications Determine leveraged resources Establish sub-group, Executive Committee, to evaluate projects that fit with long-term strategies 	14	31
Writing Work Group	<ul style="list-style-type: none"> Gather input from the various work groups Complete the development of the five-year strategic plan 	2	17



Loguen Homes, on Syracuse's East Side, was built as part of a neighborhood revitalization project to provide affordable rental housing for low to moderate income tenants.

Photo by Christa Glazier | Courtesy of CenterState CEO

Critical Issues to be Resolved/ Critical Opportunities to Advance

Through this collaborative process, the Central New York Regional Economic Development Council identified the following critical issues and opportunities to consider as it works to achieve its primary goals for the region.

(See Table 3.2 below) The table represents how we will discuss each goal and how we will meet the challenge.

Goal Background & Rationale: Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets

The region has a strong foundation of industry sector-focused regional economic development, which it has been implementing over the last 15 years.

In 1996, the Metropolitan Development Association developed Vision 2010, with work largely prepared by SRI International, which outlined a vision for regional development across five Central New York counties, recognizing the region's strengths in education, entrepreneurial development, and cluster-based economic development.

In 2004, two world-class consulting firms, Battelle Memorial Institute (Battelle) & Catalytix, were commissioned to revise the Vision 2010 plan and develop detailed recommendations on implementing a broader regional strategic plan. The resulting document, the *Essential New York Initiative*, outlined a comprehensive regional development strategy to accelerate the transition of Central New York to a knowledge-based economy, and detailed six master strategies for regional economic growth and offers dozens of detailed recommendations as a framework for achieving that success. Among them are optimizing key industry clusters,

Table 3.2: Summary of Issues and Opportunities

CRITICAL ISSUES & OPPORTUNITIES	
Goal I	Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets
Issue	With limited resources, investments must be made in most competitive industries
Issue	NYS regulatory, policy, and infrastructure challenges
Opportunity	CNY's diverse industry concentrations present unique opportunities for cross industry collaborations and provide a hedge against individual industry downturns
Goal II	Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies
Issue	The region, like the country, is not growing exports quickly enough as compared to other G8 countries
Opportunity	The region has growing strengths in service-oriented sectors that offer new opportunities for exports, and offers excellent infrastructure to support export activities
Issue	Gaps in venture/seed capital, commercialization assistance, and tech transfer
Opportunity	The region has a growing and increasingly sophisticated set of programs and resources to support entrepreneurship.
Opportunity	Maximize the potential of CNY's highly educated and skilled workforce
Goal III	Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods
Issue	Alleviating high concentrations of poverty that increase costs on local government, reduce educational attainment, and impede development of a sustained and talented workforce
Issue	Investing in outdated infrastructure and addressing the associated costs of sprawl
Issue	NYS policies are needed that address the decline of the urban center
Opportunity	Rethink – Challenge the barriers to education and economic success
Opportunity	Repurpose – Increase density and create vibrant main streets
Opportunity	Retrain – Improve social capital and better connect people to work



Monarch Industries in Cortland

Courtesy of Cortland Business

identifying new prospects for growth in knowledge-based industries, and strategies on how to attract and retain the creative talent to fuel that growth. In 2009, Battelle further revised this work with updated data and findings. Given the region's longstanding relationship with Battelle, it decided to invest significant resources in updating its existing research to provide more insight and expert analysis, in part, to the formation of strategies for this strategic plan.

Regional partners have been implementing these strategies for the past seven years, which provides a foundation for the continued growth of a regional economy through strengthening and supporting the most competitive industries sectors that align with the region's unique assets and workforce strengths.

Critical Issue: With limited resources, investments must be made in most competitive industries

As market demands shift, technology changes, and access to resources becomes more difficult, not every existing industry within the region will be well positioned for sustained or continued growth. However, the Council's strategic plan intends to achieve a positive impact on the regional economy as a whole by focusing limited resources on the most competitive, fastest growing industries that offer the greatest potential return on investment. The Council is also focused on those industries that provide higher wages across a diversity of job skills and align with the region's workforce assets.

Critical Issue: NYS regulatory, policy, and infrastructure challenges

The "high cost of doing business in New York State" is both a real and perceived barrier for companies in the state. Local and statewide business environments are uncompetitive when compared to other states on such factors as property tax burdens, regulatory hurdles, and unwieldy business processes, such as permitting and licensing.

Escalating unfunded mandates from New York State have added significant costs to the budgets of local governments and school districts throughout the region, with these costs passed on to residents in the form of increased property taxes. If state mandates continue to grow faster than the 2 percent property tax cap, local governments will have no choice but to reduce investment in infrastructure and other local government services needed by businesses and residents in the region.

Additionally, as discussed in Section 2, New York State is burdened with some of the highest energy costs in the nation. In order to make long-term decisions about future operations, industries must be assured that they can continue

to operate competitively, including the ability to obtain low-cost energy resources. With passage and implementation of Recharge New York, it is critical New York State ensure businesses that need it most are provided low-cost, reliable, and long-term energy costs, to allow them to remain competitive and continue to operate in the region and state.

As New York State examines opportunities to reduce costs, realignment of services has also had a negative impact on communities. For example, the closure of some correctional facilities, such as the Harriet Tubman Residential Facility in Cayuga County and Camp Georgetown in Madison County, has directly impacted Central New York communities. Plans have been presented to offset the impact of these closings by focusing on new projects in the affected communities and to reuse the closed facilities.

Critical Opportunity: CNY's diverse industry concentrations present unique opportunities for cross-industry collaborations and provide a hedge against individual industry downturns

As identified in Section 2, our region is a hub of strong and economically diverse industry clusters, representing a cross-section of both traditional and new economy industries.

A continued focus on specific industry clusters is important because:

- They have critical mass and a large base of existing employment in the region;
- Employment in these sectors is highly concentrated in Central New York;
- There is significant growth in regional, national, and global demand for the products and services of these industries; and
- Central New York possesses resources to support these clusters and therefore this region has a competitive advantage to attract similar firms.
- They are deeply connected to our anchor institutions.

“Industry clusters could, and should, be interrelated.”

—PUBLIC COMMENT, FORUM 2 IN OSWEGO

Opportunities also exist to identify new and exciting market opportunities at the intersection of sectors, such as clean tech and bioscience, bioscience and agriculture, and health care and clean tech, to name a few. Additionally, our region’s industry clusters align well with the clusters that have been targeted by statewide economic development efforts, including nanotechnology, clean tech, bioscience, and financial services, among others (AT Kearney, 2007).

Anticipated benefits in each industry cluster include:

Clean Energy and Environmental Systems (CEES)

- ❖ Increased Employment – Since 1996, the region’s CEES strategy has earned international recognition and has successfully created or retained numerous jobs in the local economy, including creating new products and services at existing firms and attracting new firms to the region. We are confident that continuing this approach will create or retain thousands of jobs in the next five years.
- ❖ Community Revitalization – Homes, neighborhoods, and communities will be revitalized through projects that demonstrate application of clean energy and environmental systems developed by CNY firms, and workforce training in the CEES field.

Health, Biomedical Services, and Biosciences

- ❖ Increased Employment – A growing number of jobs at some of our region’s top employers in the health care field is expected.
- ❖ Increased Wages – Increased incomes, as this industry pays above the regional average wage, will be realized.
- ❖ Improved Quality of Care – Continued investment and growth in this sector will directly benefit the quality of care provided to the region’s residents.
- ❖ Low Turnover – Low employee turnover in this sector will reduce burdens on workforce development programs and public assistance mechanisms.

Financial Services

- ❖ Leverage High Skilled Labor – The financial services sector offers a wide range of wages and leverages competitive labor and real estate costs.
- ❖ Utilize Office Space – The potential absorption of vacant office space within the urban centers of the region’s five counties will act to revitalize the adjacent neighborhood and support local retail and service business growth and development.
- ❖ Increased Employment – There is potential for a

handful of financial services attraction efforts to result in a significant increase in employment for this cluster.

- ❖ Increased Travel Spending – The work performed in the proposed service centers will support national and international business operations of these prospective companies and has the potential to generate significant business travel and attendant travel and entertainment spending as part of routine business operations.

Agribusiness and Food Processing

- ❖ Increased Revenue and Jobs – By deploying the above strategies the region should expect overall increased economic activity in terms of sales revenue and jobs because the CNY region could capture and retain more of the economic activity of processing, distributing, and delivering to market food and agriculture products.
- ❖ Access – Healthy vibrant communities are often measured by metrics like access to healthy foods (or elimination of food deserts), and municipal cores cannot exist without the importation of food from neighboring rural locations. Likewise, rural agribusinesses rely on access to markets and funds that municipal cores provide.

Advanced Manufacturing (Digital and Electronic Devices, Metals Production and Manufacturing, Precision Manufacturing)

- ❖ Better Wages – In 2011, Battelle found that each of the 11 priority industry clusters for the region exceeded the region’s average annual wage. Digital and electronic devices, at an average wage of \$68,197, exceeded this average by more than 50 percent.
- ❖ Continued Growth – At a time when global markets related to security, aerospace, and defense continue to grow, this strength serves as a significant opportunity for continued growth within the region.

Tourism

- ❖ Regional Branding – Tourism marketing efforts to brand the region ultimately help communicate and amplify the quality of life dimensions of the overall region.
- ❖ Increased Tax Revenues – Tourism outreach bolsters community pride while driving higher sales tax revenues.
- ❖ Talent Attraction – Tourism development, marketing, and sales are all proven mechanisms for building interest from visitors who are also

potential future residents, business owners, employees, students, seasonal/second-home owners, and retirees.

- ❖ Access to Talent Pools – There are numerous opportunities to engage potential talent pools for area industries based on targeted conference recruitment for the area.
- ❖ Exploring New Partnerships – Developing medical tourism initiatives will create bonds between the hospitality and health sectors.



Goal Background and Rationale: Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies

Competitive economies are globally connected, highly educated, and adaptable to changing market conditions. To ensure that Central New York is prepared to meet these demands it must advance an ecosystem that supports innovation and respond to the needs of an entrepreneurial economy, capitalize on the diversity of its workforce and academic and research assets, and strengthen its global export potential.

Over the past decade, the region has worked to develop a robust innovation ecosystem, understanding our innovators and small businesses are among our greatest job generators. Small business is responsible for creating two out of every three new jobs in the United States each year, and that emerging firms in their first year create an average of three million jobs per year.

Federal initiatives have prioritized the support of small businesses and entrepreneurs at the national level, implementing policies and programs to help small businesses to start and grow, and encouraging public-private partnerships to support workforce re-training and entrepreneurship. Support programs have included tax cuts to help small businesses grow and create jobs, expanded access to capital for small firms, expanded entrepreneurship education and mentorship programs, and identified and removed unnecessary export barriers to help small businesses expand overseas. We must employ a similar prioritization of small business innovation, and entrepreneurship within our region.

In regards to expanding our region's export potential, recent analysis from the Brookings Institution (2011) has indicated that domestic consumption in the United States has slowed down in the past 30 years. At the same time, the fastest growing markets are outside the United States in places like Asia and South America.

The prioritization of exporting is such a critical component of delivering the next economy that a National Exporting Initiative has been established at the federal level to align and streamline the resources of federal agencies to reduce barriers to exporting and assist domestic companies in making international sales contacts.

In addition, the Brookings Institution has launched the Metropolitan Export Initiative (MEI) program. Recognizing that the majority of existing exports comes directly from metropolitan areas throughout the country, Brookings has

selected four regions from across the country to participate in a comprehensive effort to develop a region-wide export development strategy. The Central New York region, through a competitive application process, was selected to participate in this program in early 2011. The region joins a select peer group of Minneapolis, Los Angeles, and Portland, the only other regions selected by Brookings for the MEI program.

Key factors in the Brookings Institution's decision to select the region to participate include the strength and diversity of regional industry clusters—many of which have strong potential for export growth. Also, Central New York's unique assets—natural, agricultural, geographic, educational, cultural, and human—particularly position it to compete well in an increasingly competitive global marketplace.

Central New York's ability to generate jobs and wealth, and be competitive on the regional, national, and global scale, rests largely on our ability to foster innovation and support the entrepreneurs and small businesses that are the backbone of our economy and among the greatest job generators.

Exporting

Critical Issue: The region, like the country, is not growing exports as quickly as other G8 countries.

Many of the world's emerging markets have already prioritized exporting as a key component of their own economic future, while the United States has largely remained focused on domestic sales (exporting has grown in non-U.S. G7 markets by 7 percent in the past 20 years while it has only grown by 2.6 percent in the United States in the same time frame). To ensure future economic growth and prosperity, Central New York must improve its competitiveness in, and connections to, the regional, and global economies.

Currently, Central New York does not maximize its potentially competitive position in the global marketplace. Though the region's economic output was roughly \$32 billion in 2009, only 10 percent of this output was export related. This ranks the region in the bottom half of the country's top 100 largest metros.

Critical Opportunity: The region has growing strengths in service-oriented sectors that offer new opportunities for exports, and offers excellent infrastructure to support export activities.

Like many communities transitioning to a knowledge-based economy, the region has growing strengths in service-oriented sectors, like medical, education, and business services that offer new opportunities for exports. The region's manufacturing legacy persists and has fostered strengths in innovative product development, advanced manufacturing, and distribution.

A 2009 report from the Brookings Institution found that for every \$1 billion in exports of a metro area industry, workers in that industry earn roughly 1 to 2 percent higher wages. As the Central New York median wage remains in the bottom quartile as compared to the top 100 metropolitan areas in the United States, growing sales in foreign markets must play a crucial role in raising the region's median wage.



Courtesy of CenterState CEO

Nationally, the Brookings Institution reports that services are growing faster than the export of products (2009). In 2008 the 12-county region surrounding Central New York saw 37 percent of its overall export growth in services. The region's service exporters are especially productive as each service worker produces 2.3 times more value than their manufacturing counterparts (\$222,000 vs \$95,500 per worker in 2009). Using the region's highly educated workforce as a foundation, as well as its unique concentration of high-quality higher education, research and development expertise, Central New York possesses the talent resources to support a more robust export economy.

Additionally, one of Central New York's key assets is its proximity to the Canadian border; even the most distant points in the region are no more than three hours from the border. The region also offers excellent infrastructure to support export activities with relative proximity to the Port of Oswego and the global ports of New York City; Newark, N.J.; and Montreal, Quebec. Central New York offers an international airport at Hancock International in Syracuse, and a major freight transfer hub on the CSX mainline between New York and Chicago. In spite of these advantages, Central New York must improve competitiveness in, and connection to, the global economy.

Anticipated benefits

A strengthened export economy will:

- ❖ Offer better, higher paying jobs within the region,
- ❖ Enable the region to compete in the global marketplace due to more international business relationships to attract foreign direct investment, and

- ❖ Result in more global awareness and an enhanced understanding of global trends, enabling the businesses, and the region, to react to emerging opportunities.

Entrepreneurship

Critical Issue: Gaps in venture/seed capital, commercialization assistance and tech transfer

More than \$2 billion annually is being invested in R&D at upstate academic institutions, and there are an increasing number of new ventures being created as spin-offs through the downsizing of large regional businesses in core sectors. The result is a developing pipeline of new ventures that offer high growth-return potential, but lack the necessary infrastructure, risk capital, and support services to enable them to remain and grow in upstate New York.

Furthermore, many promising seed and early-stage companies are increasingly looking to "bi-coastal" venture capital providers, which increases the likelihood that they will move to these sources of capital. Less than 1 percent of all upstate capital is currently being invested at the seed stage, and 91 percent of the venture capital that is resident in New York State is deployed out of state. When early stage companies seek capital elsewhere, they often subsequently move elsewhere, representing a missed opportunity in terms of building a pipeline for later stage in-state investments.

Battelle found extremely limited evidence of risk capital investment and availability in Central New York over the last

*“Small business is our foundation.
It affects our quality of life; it affects families.”*

—PUBLIC COMMENT, FORUM 2 IN OSWEGO

decade (Battelle, 2011). Private equity investment centered largely in one company acquisition (\$155 million) with limited venture capital allocated to companies at the seed through later stages (about \$16 million). It also found very low per capita investment (2001-2011):

- Central NY Per Capita VC funding (non-acquisition): \$27
- U.S. Per Capita VC funding (non-acquisition): \$933

Additionally, patent activity is a good predictor of commercialization. Although the region has strong assets and institutions supporting research and development, the Syracuse MSA's patent activity ranks low compared to its counterparts. In an analysis of U.S. Patent and Trademark Office data, Brookings found that Syracuse ranks 51st in patent applications per 1,000 workers, with 4,339 patent applications filed between 2001 and 2010, compared to the national average of 2,362,809 for the 100 largest U.S. metros.

We must find new ways to provide seed capital to our region's startups to demonstrate to entrepreneurs outside the region our commitment to this segment, and to provide a local partner to due diligence and attract co-investors from outside region.

Critical Opportunity: The region has a growing and increasingly sophisticated set of programs and resources to support entrepreneurship, which allows for sustained economic growth and drives economic diversity and competitiveness

Small business growth, entrepreneurship, and innovation remain a critical backbone of transitioning the Central New York economy sustainably into future prosperity. Entrepreneurship drives economic diversity and vastly increases a region's competitiveness. Growing a successful entrepreneurial culture requires:

- **Expertise:** To connect entrepreneurs with training, mentors, advisors, and accelerators
- **Services:** To provide entrepreneurs access to critical services at reduced costs
- **Talent:** To assist entrepreneurs in recruiting and training people who can help them grow
- **Consumers:** To drive demand and scale startups through new and existing markets
- **Capital:** To provide necessary resources to entrepreneurs in various regions and sectors

CNY has an extraordinary supporting infrastructure of community-based assets that support entrepreneurship, and is home to some of the top-ranked entrepreneurial programs in the country. An impressive pool of talent at its 13 colleges and universities, with more than 60,000 students, and a network of support services that includes diverse levels of expertise

and partnerships must be leveraged and connected to these great assets, creating an ecosystem of resources delivered to entrepreneurs across the region.

In particular the link between entrepreneurial development and the university sector is so significant that the Kauffman Foundation engaged with Syracuse University in 2007 to prioritize higher education's role in region-wide entrepreneurship support.



With a \$3 million grant from the Kauffman Foundation, Syracuse University created Enitiative, resulting in 165

campus-community projects that infuse entrepreneurship at the grass roots level throughout the Central New York community. The program includes partnerships with Cayuga Community College, Le Moyne College, Morrisville State College, Onondaga Community College, and the SUNY College of Environmental Science and Forestry to truly imbue the spirit of entrepreneurship throughout our region, and build small businesses with young leaders from the ground up.

Building upon the Kauffman Foundation engagement, Syracuse University, in partnership with CenterState CEO, recently received a \$500,000 award from the U.S. Commerce Department's Economic Development Administration (EDA) and designation as an EDA University Center. The award is aimed at igniting innovation, accelerating entrepreneurship, and launching student ventures throughout upstate New York. Together with a \$1.7 million private endowment to the Innovation and Disruptive Entrepreneurship Accelerator Student Sandbox, a partnership with CenterState CEO and The Tech Garden, the EDA award provides sustaining funding for the effort to help student entrepreneurs start new businesses and nonprofit organizations that will in turn provide economic growth in Central New York.

Anticipated benefits

- ❖ **Jobs – Startup ventures** are among the greatest job generators. According to the Kauffman Foundation, nearly all net job creation in the United States occurs in emerging firms less than five years old (Kauffman, 2009), and companies in their first year create an average of three million jobs per year (Kauffman, 2010). Given this job creation potential, it is critical to foster entrepreneurial development and catalyze technology transfer from the university sector.
- ❖ **Sustained Growth – Entrepreneurship** allows for sustained economic growth and drives economic diversity and competitiveness. Accelerating the growth of innovative new technologies, launching new products, and expanding into new markets holds promise for strong, sustained growth in the region.

- ❖ Access to Resources and Partnerships – The region’s proximity to New York City presents opportunities to connect upstate entrepreneurs and research and development resources to downstate capital.

Workforce

Critical Opportunity: Maximize the diversity and potential of CNY’s highly educated and skilled workforce

Central New York’s highly educated workforce and unique concentration of high-quality higher-education, research and development expertise forms a foundation for investments in today’s innovative, knowledge-based global economy. In order to improve our global competitiveness, the region must continue to maximize human capital, improve alignment between workforce supply and employer demand, create and support apprenticeship programs, attract and retain students and young professionals, and support the needs of minority and mature workers. Central New York also has a highly skilled immigrant workforce and a strong foreign student population to help meet its academic workforce demands.

Efforts have already been made to streamline the delivery of workforce development and alignment programs. In 2006, the Journey to Jobs (J2J) initiative established a collaboration of more than 30 organizations in Central New York across education, government, academia, business, economic development, and human services. The initiative developed a community infrastructure that embraced diversity, tolerated ambiguity, and bridged differences with others who both collaborate and compete for scarce funds and resources. This collaborative acted as the foundation for more than \$5 million in workforce development grants to the region.

Anticipated benefits

Growing a workforce with a diversity of skill sets across industry sectors:

- ❖ Enables the region to create new employment opportunities for its residents,
- ❖ Positions the region to actively participate in, and benefit from, economic growth around the globe, and
- ❖ Improves the region’s overall economic diversity.



Goal Background and Rationale: Revitalize our Region’s Urban Cores, Main Streets, and Neighborhoods

Central New York is increasingly recognized throughout the country for embracing smart growth principles and implementing initiatives and collaborations among public and private partners to turn aside decades of post-industrial decline and sprawl. At the heart of our economic vision is a fundamental awareness of sustainability—reflected in how the region invests in our targeted industry concentrations to create a long-term plan for growth and job creation around our existing assets and human capital.

At its core, however, sustainability and smart growth are a vision toward nurturing and protecting our own communities, be they rural or urban. Through engagement with our anchor institutions—the universities, colleges, community foundations, and major employers whose functions and facilities are firmly planted and interconnected within our municipalities—the region is working with its public and private institutions to strengthen and revitalize our neighborhoods, build the workforce of tomorrow, empower disadvantaged groups, care for our environment, and rebuild streetscapes and

The Tech Garden has incubated 75+ companies, provided technical assistance to 500+ ventures, and incubated 100+ student entrepreneurs in the Student Sandbox.



Courtesy of CenterState CEO



Courtesy of Cortland County Tourism

public spaces so that our social and human capital remain a vital driver for our region's development.

Like our targeted industry clusters and our engines for innovation and entrepreneurship, revitalizing our region's urban cores, main streets, and neighborhoods is fundamentally linked to and built upon our existing economic, social, and cultural assets. A great many of those assets lie within the five cities, 47 villages, and numerous additional hamlets and town centers that serve as hubs of innovation, heritage tourism, intellectual capital, diversity, and creative enterprise in the heart of New York State. These assets include:

- A very high concentration of engaged colleges, universities, and medical institutions supporting and expanding research and development in our targeted industry concentrations.
- Extraordinarily high rankings as one of America's best places to raise a family (top five Forbes.com and Yahoo.com) with relatively short commutes, high performing school districts, and a vibrant arts and culture sector.
- Recognition as one of the top 20 greenest regions in America (*Popular Science*, *National Geographic*) with abundant natural resources, and with both academic and advocacy institutions actively integrating environmental stewardship into the region's way of life.
- Being one of the top seven communities in the United States with a dense concentration of jobs within the urban core. According to a study cited by Brookings and conducted by Elizabeth Kneebone in 2009, the Syracuse MSA has 37.7 percent of its jobs within three miles of the city center (Brookings2, 2011).

Furthermore, Central New York's targeted industry concentrations have reciprocal relationships within our urban and municipal cores. CNY's thriving clean technology industries provide guidance in rebuilding our streetscapes and neighborhoods with attractive green infrastructure and energy efficient public spaces. Investment in new facilities for our health and biosciences is being carried out with an acute awareness to our environment and revitalization of our plighted neighborhoods. And our tourism industry has been a driving advocate for the redevelopment of our main streets to further attract and retain visitors to our region who travel for our arts, cultural, and sports activities located in our municipal centers.

Our downtowns and main streets, rural or urban, are also the places where people, ideas, and businesses converge. Over the past 50 years, outmigration from these centers has leveled off, providing us with an opportunity to rebuild our urban centers and municipal cores and transform them into communities that will grow small and medium-sized businesses, retain recent college graduates, build a capable workforce, and attract young professionals and entrepreneurs in our targeted industry clusters.

Critical Issue: Alleviating high concentrations of poverty that increase costs on local government, reduce educational attainment, and hamper our ability to develop a sustained and talented workforce

Despite the many positive conditions outlined above not all of our citizens have the access or the support mechanisms to become active, productive members of our communities. Poor Pre-K-12 educational attainment in our cities and a spatial mismatch between jobs and people contribute to high concentrations of poverty, which in turn increase costs on local government.

In what CEOs for Cities calls "The Opportunity Dividend," reducing concentrated poverty rates in metropolitan areas decreases public sector outlays for family and social services. There is a direct correlation between the size of a population living in poverty and the costs associated with such programs as Medicaid and food stamps. Reducing poverty in the long run not only reduces public expenditures on social programs, but can also address the driving need to create a productive workforce for our core industries, and foster stable family environments that build strong neighborhoods.

Critical Issue: Investing in our outdated infrastructure to support the economic drivers and targeted industry concentrations that are building our economy, and addressing the associated costs of sprawl

Typical of many post-industrial cities in the Northeast, our urban centers also experience decaying or outdated infrastructure that is needed to support the economic drivers and targeted industry concentrations that are building our economy. Decades of sprawling development outside our municipal cores has also left our streets quiet, our public places unkempt, and the perception that our public transit is not a viable option for all.

“We have to keep intellectual capital in our area to advance.”

—PUBLIC COMMENT, FORUM 2 IN OSWEGO

In particular, like the rest of the nation, the CNY region struggles from historic underinvestment in rail, road, and bridge infrastructure. Low-cost air service to many key metropolitan areas in the Northeast is limited. And though the Syracuse metropolitan area has high access to the existing broadband infrastructure, this infrastructure asset has not yet penetrated many surrounding and more rural areas.

While the cost to address many of these issues is high, they are crucial components of building a sustainable region that seeks to become more modernized, efficient, and competitive, growing as a premier destination of choice for companies, visitors, and residents.

Critical Issue: NYS policies are needed that address the decline of the urban center

Past New York State policies, in some cases, have contributed to the decline of urban centers, and future policies are needed to reverse those trends. Section 4 details specific strategies and public policy recommendations to address these issues.

Critical Opportunity: Rethink – Challenge the barriers to education and economic success

In reinvigorating the region’s neighborhoods and main streets through mutually beneficial partnerships with diverse businesses and the region’s anchor institutions, opportunities exist to invest resources that leverage the national movement of anchor institutions to restore neighborhoods, train new workers, retain young talent, collaborate with privately owned enterprises, and create small business and social enterprises. Through these collaborations, the region will advance projects

to reinvigorate in urban streetscapes that tie together unique architecture and public places, empower home ownership in urban neighborhoods, and advance efforts to offer attractive and efficient means to travel.

Anticipated benefits

- ❖ These partnerships will create an exciting, receptive environment for recent college graduates, student startups, talented employees, and companies seeking a dynamic, creative environment for growth.
- ❖ By scaling and replicating anchor institution revitalization models currently being piloted in Auburn and on the North, South, and Near West side neighborhoods in Syracuse, projects can catalyze and facilitate economic opportunities for community residents and spur private investment in previously neglected areas.
- ❖ By employing a multi-faceted housing strategy we can provide affordable home improvement assistance targeted toward energy upgrades that extend the useful life of our housing stock and assist families to age in place; offer incentives for the development of owner-occupied properties that encourage a variety of families to purchase and reside; deliver financial and homebuyer education and other support services to ensure long-term and successful homeownership; and target efforts in neighborhoods where planning and development is centered around anchor institutions and other neighborhood assets and has synergy with existing commercial redevelopment efforts.



37.7% of jobs in the SMSA are located within three miles of downtown Syracuse; 21.9% of people in Syracuse work 10+ miles from the downtown city center (Brookings, 2009).

Downtown Syracuse

Photo by Steve Sartori | Courtesy of Syracuse University

- ❖ By developing new, innovative incentives to retain recent college graduates in the Central New York region, we can retain the creative and intellectual capital that is available to the CNY region via the extraordinary concentration of colleges and universities in the region.
- ❖ By developing and supporting regional arts events, Central New York's economy will benefit in many ways from investments in regional cultural events.

Critical Opportunity: Repurpose – Increase density and create vibrant main streets

Our municipal centers represent significant investments in physical infrastructure that must be preserved and enhanced for future growth, and to ensure that our region's workforce is connected with employment and training opportunities. Efforts and initiatives already under way throughout the region have placed an emphasis on repurposing of existing physical assets through adaptive re-use and brownfield remediation; linking planned transportation investment with surrounding private development through transit-oriented strategies; and using green technologies to improve the efficiency of buildings and neighborhoods, promote density in development, and encourage quality communities. The region must continue to do this by leveraging investments in CNY's industry clusters so that our primary economic assets are strategically placed within our municipal centers.

Anticipated benefits

- ❖ Re-densifying CNY's municipal cores, across both rural and urban landscapes, with green housing development and deconstruction, complete streets, and the rehabilitation and preparation of strategic core sites and buildings for new investment are essential for the region's economic future.
- ❖ There has been a national "return to the city" movement that has spurred a renewed focus on the health of municipal cores and has already resulted in an increase in commercial and residential occupancy rates, a growing trend that Central New York should continue to capitalize.
- ❖ Cities tend to be magnets for wealth, talent, and creativity, and are a hotbed of opportunity for future economic success and product innovation.
- ❖ There exists right now a tremendous opportunity to attract private investment to the region's urban centers as companies seek to expand their collaborations with academic and medical institutions and attract the highly educated creative workers they need to expand in this economy. In Syracuse this "reverse exodus" is already apparent. Companies like King + King Architects, and O'Brien & Gere Engineers have relocated from the suburbs to the city in close proximity to Syracuse University's Warehouse and the Art Technology and Design quarter being created on Syracuse's Near West Side. The assembly and preparation of shovel-ready

sites for these knowledge-based industries is a very important undertaking if our urban centers are to take advantage of this national trend.

Critical Opportunity: Retrain – Improve social capital and better connect people to work

Human and social capital is the most important asset for a globally competitive economy, and our region must rise to the challenge by improving educational attainment, preparing students for careers, and creating quality employment opportunities that can sustain families. We can build upon our region's outstanding legacy of social innovation by deliberately challenging the barriers to education and economic success for families in our region with a particular focus on traditionally under-served populations and the un- and-under-employed. We will work with our anchor institutions, industry clusters, and nonprofit sector so that retraining programs have a direct collaborative tie to the primary drivers of our economy.

Evidence behind this level of engagement supports our efforts. After three years of partnering with Say Yes to Education, Inc., the Syracuse City School District saw an increase of enrollment of 320 students in 2011, the first increase in 10 years when it had otherwise anticipated a decline. Graduation rates have increased nearly 5% since 2009, and the percent of students attending college increased nearly 20%. In just over a one-year period, 9th grade students passing Regents algebra increased 31%. In 2009, the District experienced a 44% decline in the number of 9th grade students who dropped out or were inactive.

Related to these figures, in what CEOs for Cities calls the "The Talent Dividend," increasing the four-year college attainment rate within a city's population increases aggregate annual personal income (2008). Furthermore, vibrant cities drive the development of human capital by concentrating talent and ideas in ways that further build a culture of education and personal attainment. Communities with higher educated, more productive populations position regions for dynamic growth and greater protection from economic fluctuations.



Photo by Steve Sartori | Courtesy of Syracuse University

The CNY REDC public engagement process attracted more than 539 members of the public to the various public participation meetings.



Courtesy of Le Moyne College

Anticipated benefits

- ❖ Increase in work readiness amongst our unemployed and underemployed.
- ❖ Increase middle school, high school, and post-secondary completion rates through programs like Say Yes to Education Inc., and CNY STEM Hubs in urban, suburban, and rural communities.

3.5 CRITICAL ISSUES AND OPPORTUNITIES SUMMARY

The Central New York region has a solid head start on implementing a regionally based, industry cluster driven economic development strategy. Moving forward, this approach positions the region to immediately capitalize on the opportunities associated with our goal to strengthen targeted industry concentrations that are leveraging our unique economic assets.

Improving competitiveness in, and connections to, the regional, national, and global economies will come from establishing a regional economy that is globally connected, highly educated, and adaptable to changing market conditions. Again, the region is on solid footing given its vast resources available to small business and entrepreneurs—the backbone of our economy and some of our greatest job generators. Central New York also possesses a highly educated workforce and efforts are under way to expand the global connectivity of the region's businesses, large and small.

Finally, efforts to revitalize our region's urban cores, main streets, and neighborhoods are, and will continue to be, catalyzed by initiatives that rethink our public-private partnerships to create public good, repurpose our existing

physical assets, and retrain our workforce for the markets of today and tomorrow. Existing initiatives across the region that have been designed to address these opportunities deserve continued support in order bring them to full fruition.

3.6 PUBLIC STAKEHOLDER ENGAGEMENT PROCESS

In August 2011, the Public Participation Work Group drafted its public participation plan (see *Table 3.5*) and began conducting a series of focus group and public input sessions across the five-county CNY region to gather meaningful input for use by the Vision and Strategy Work groups. The process was designed to solicit citizens' ideas on the assets, opportunities, and critical issues of the region's strategic economic development plan through open sessions with small groups and facilitated discussions held across all counties.

As this plan was executed, input was gathered during several region-wide public forums and individual "Voice of the County" sessions on drafts of the vision, strategic plan, policy changes, and continued engagement (see *Table 3.3 for county representation at public events*, and *Table 3.4 for full meeting schedule*). The Public Participation Work Group met weekly to review experiences and findings, to help plan and design the "Be Heard CNY" survey and logo, and to update the CNY REDC website as needed.

The approach to engage the public involved steadily increasing levels of complexity to present evolving subject matter content. Initially, a town-hall style approach with open ended questions was utilized, soliciting input on such things as "what are the top five regional assets." In subsequent meetings, the public was able to engage with subject matter experts

Table 3.3: County Representation at Public Events

COUNTY	GEOGRAPHY (SQ. MILES)	POPULATION*	% OF CNY POPULATION	PUBLIC PARTICIPATION**	% OF PUBLIC PARTICIPATION
Cayuga	693.18	80,026	10.1	172	31.9
Cortland	499.65	49,336	6.2	38	7.0
Madison	655.86	73,442	9.3	38	7.0
Onondaga	780.29	467,026	59.0	172	32.0
Oswego	953.3	122,109	15.4	119	22.1
TOTALS	3,582	791,939		539	

*Source: 2010 Census data

**Attendance figures are estimated to be low, as not all attendees signed in.

and white paper authors who presented their data and fielded questions and comments from the public.

The CNY REDC also engaged stakeholders through the Strategy Work Group, which commissioned 13 white papers that provided subject matter expertise and informed this report's strategies, tactics, projects, and performance measures. Lead authors included 14 CNY REDC members and 31 non-council persons, displaying impressive levels of interest and cooperation across counties and sectors. The development of the white papers brought together leaders in business, academics, research, not-for-profits, community renewal, and government from all counties and many cities, villages, and townships. These papers demonstrate a diversity of thought and experiences, and provide solid strategies, projects, and policy recommendations to drive our regional growth.

Outcomes

The CNY REDC public engagement process succeeded in attracting more than 539 members of the public over the course of the various public participation opportunities. The public was invited to attend all but the first organizational meeting of the full REDC. Nearly 200 Consolidated Funding Applications for New York State economic development funding were received, which suggests significant interest in regional development. Additionally, the number of hits to CNY's Open for Business website during the period of October 17 to November 4, 2011, was 933, indicating interest in the council's initiatives. The analytics feature of the Open for Business website will enable ongoing tracking of public interest.



The public was also invited, through a multi-media campaign, to take a "Be Heard CNY" survey, conducted between October 7 and October 26, 2011, in partnership with Clear Channel Radio. The survey was available online at www.beheardcny.com, with links also available

through local media outlet websites and social media pages such as Facebook. The survey was promoted through on-air

public service announcements, online ads, and once-per-day Facebook posts directing people to participate. The survey attracted nearly 200 survey respondents, yielding a wealth of useful suggestions.

THE MAJORITY OF SURVEY RESPONDENTS indicated that the most important economic goals for the region were:

- "more businesses" and "more jobs" (58 responses each)
- "more people choosing to live here" and "fewer people living in poverty" (17 responses each)
- "reduce taxes and regulations"

The survey was followed by a moderated "Virtual Town Hall" on October 20, 2011, broadcast on WSyr 106.9 FM and 570 AM radio. Clear Channel Radio estimated approximately 13,000 listeners during this broadcast, based on the average quarter hour audience ratings for adults 18 and over. The discussion offered the public an opportunity to have a live discussion with CNY REDC co-chairs Robert Simpson and Nancy Cantor. Questions and responses from this discussion were recorded and later made available via podcasts, web postings, and email blasts.

More importantly than the quantity of participation, significant assets, opportunities, challenges, and strategies were identified through these engagement methods. The feedback the council received was used directly in the development of this plan's vision statement, goals, and strategies.

Common themes and feedback that emerged from this public participation process included:

- ❖ A concern about costs of doing business in New York as an obstacle to job growth in CNY.
- ❖ The hope for public policy changes to improve personal as well as business environments. Suggestions included reducing government taxes, support of "buy local" initiatives, providing accessible training for needed skills, and investing in infrastructure (including broadband).



This word map is a graphical interpretation of the words used by participants at the first Cayuga County "Voice of the County" meeting to describe Central New York's important assets. These concepts are reflected in the region's vision and determination of the critical opportunities and issues.

- ❖ An emphasis on the value of the region's quality of life.
- ❖ The importance of keeping intellectual capital in the region for existing business and entrepreneurial growth.
- ❖ An emphasis on the importance of the region's water resource assets, in terms of tourism, quality of life, and access to international trade.
- ❖ The need for better marketing of the region supporting and leveraging its assets and building on its center-city.
- ❖ Capitalization on the central location of the region, the geographic hub of upstate New York.
- ❖ The need to support and grow small businesses as a catalyst to improve the viability of region's towns, increase job creation, and enhance tourism.
- ❖ The need to find ways of retaining and growing regional talent.

At the region-wide public forum held on October 20 to review the draft strategic plan, the public expressed the need to invest in the targeted industry clusters identified in the plan, with particular interest in advancing the Clean Energy and Environmental Systems, Agribusiness and Food Processing, Advanced Manufacturing, and Tourism clusters. The public further identified such priorities as:

PUBLIC PARTICIPATION was a vital part of the CNY REDC's process to gather input on the five-county region's challenges, assets, and opportunities. Highlights include:

- More than **539 members** of the public took part in the process during the various events.
- A “Virtual Town Hall” on a local radio station that included a live discussion with CNY REDC co-chairs Robert Simpson and Nancy Cantor on October 20, 2011, attracted **13,000 listeners**.
- As part of the “Be Heard CNY” campaign, a survey launched in mid-October was completed by nearly **200 people** who contributed ideas and feedback.
- Between October 17 and November 4, the CNY Open for Business website had **933 individual hits**.
- Voice of the County sessions, eight in total, were held in each of the region’s **five counties**.



Courtesy of Le Moyne College

- ❖ An industry's ability to leverage other clusters; there are strong linkages between clusters, and funding projects in one will support projects and growth across many clusters
- ❖ Implementing policies that support business growth, especially small business
 - Consider business costs, especially power and health care
 - Examine policies that may impede tourism
- ❖ A need for investment in infrastructure, including transportation
 - Strong infrastructure leverages positive growth in small business, tourism, manufacturing; e.g. shoreline stabilization, road creation, and maintenance
- ❖ Implementing policies that allows intellectual capital to grow/expand in NYS
 - Provide incentives and potential tax breaks to support job creation
 - Develop programs that support retention of students and young professionals in community
- ❖ Retaining and creating jobs and intellectual capital
- ❖ An emphasis on local purchasing

Table 3.4: Meeting Schedule

MEETING TYPE	DATE	LOCATION	PUBLIC ATTENDANCE*
REDC-1	8/4/11	SUNY ESF, Onondaga County	NA
Cayuga Voice of the County	8/11/11	Cayuga-Onondaga BOCES, Cayuga County	87
Oswego Voice of the County	8/14/11	Quality Inn, Oswego County	25
REDC-2 (public participation session)	8/17/11	SUNY OCC, Onondaga County	17
Madison Voice of the County	8/22/11	Madison County Office Building, Wampsville	14
Region-wide Public Forum 1	8/23/11	Le Moyne College, Onondaga County	150+
REDC-3 (public participation session)	9/7/11	SUNY Oswego Metro Center, Syracuse	13
Onondaga Voice of the County	10/5/11	Oncenter, Onondaga County	30
Madison Voice of the County	10/8/11	SUNY Morrisville, Madison County	24
Cortland Voice of the County	10/6/11		6
REDC-4 (public participation session)	10/7/11	Cayuga Community College, Cayuga County	42
Cayuga Voice of the County	10/13/11	Cayuga-Onondaga BOCES, Cayuga County	36
Oswego Voice of the County	10/18/11	Quality Inn, Oswego County	18
REDC-5 (public participation session)	10/19/11	Oncenter, Onondaga County	0
Virtual Town Hall	10/20/11	Broadcast on WSYR 106.9 FM and 570 AM radio	13,000* listenership
Region-wide Public Forum #2	10/20/11	SUNY Oswego, Oswego County	70+
REDC-6 (public participation session)	11/7/11	St. Joseph's Hospital Health Center, Onondaga County	7
Region-wide Public Forum #3	Winter 2011-12	TBD (Cortland County)	TBD
TOTAL			539+

* Source: Clear Channel Radio based on the Average Quarter Hour Audience ratings for adults 18+

*Attendance figures are estimated to be low, as not all attendees signed in.

Table 3.5: Public Participation Plan for the 2011 Strategic Plan Process

PLAN COMPONENTS	OUTCOMES
Conduct public meetings within each county with key stakeholders and public groups to help the REDC craft a vision for the region and gather ideas on: (1) opportunities and assets (2) resources to support opportunity (3) critical issues and strategies	Meetings in four counties were held prior to the first region-wide meeting on 8/23/11, with a total attendance of about 140 persons. Notes on the public input from these meetings were shared with the entire REDC. Onondaga County's event was not held prior to 8/23, but that county was represented by many members of the public during facilitated sessions at two full council events and the Le Moyne event.
Hold first of three region-wide public forums, to take place at distinct points in the timeline. The public is also invited to join each meeting of the full council.	The first region-wide public forum on 8/23/11 at Le Moyne College drew more than 150 people. This meeting included facilitated discussions regarding vision and strategies at 12 tables with 10-12 persons at each. All session notes were summarized and disseminated to the work group and full REDC, and incorporated into the vision, goals and strategies. A database of contacts for engaged citizens was initiated based upon voluntary signup.
Conduct six meetings of the full Regional Economic Development Council	The public attended and participated in four of the full council meetings, engaging in discussion and report-out to the council.
Continue county meetings between REDC Meetings 3 (9/7/11) and 4 (10/7/11) to seek feedback in order to share with work groups and council members.	Sessions and attendance: 10/5/11, Madison County, 24 people 10/5/11, Onondaga County, 30 people 10/6/11, Cortland County, 6 people 10/13/11, Cayuga County, 36 people 10/18/11, Oswego County, 18 people
Hold second region-wide public forum between REDC Meetings 4 (10/7/11) and 5 (10/19/11) to seek public input on strategic plan.	The second region-wide session on 10/20/11 at SUNY Oswego drew more than 70 people for discussion of the plan's Strategic Overview, potential policy recommendations, and public engagement recommendations.
Conduct pro-active outreach through social media, websites, newspapers, radio, and television throughout the public participation process.	Designed a brand logo for "Be Heard" (Clear Channel Radio) and launched a mid-October survey culminating in a live interactive radio Q&A session with co-chairs as hosts. Survey was completed on October 26 and nearly 200 persons contributed ideas and feedback.
Hold a region-wide meeting, after the awards are announced, to receive continued feedback on the whole process and move on next steps.	Tentatively planned to be held in Cortland County.

Summary

While details of ongoing public engagement plans will be fully addressed in Section 5, citizens suggested ways they would like to remain engaged in the coming years, including continued face to face meetings and multi-media outreach. The Public Participation Work Group continues to try to identify points where the public can take ownership of the projects and process as it moves forward. The "Be Heard" survey also contains a question regarding "by what criteria should new projects be assessed?"

While all the elements of this public participation process produced many detailed, substantive suggestions, questions remained at each session about the REDC process itself and our council's long-term commitment to public engagement. Many survey respondents expressed a general dissatisfaction with economic development, and the region and country's economic condition. These responses constitute an important challenge for ongoing public involvement, to ensure the

process is clear, open and accessible. All of these experiences shape our ongoing public participation strategy of using a systematic and multi-leveled effort to build a broader sense of involvement. ●

See also appendices:

- E.1 Work Group Participation
- E.2 Region-wide Public Forum #1 Notes
- E.3 Sample feedback from Regional View from County —Vision, Assets/Opportunities, and Issues
- E.4 Region-Wide Public Forum #2 Notes (posted on CNY Open for Business website)
- E.5 Sample feedback from Regional View from County —Strategic Plan, Policy Recommendations
- E.6 BeHeardCNY.com Campaign — Plan and Survey Questions

4.0 Economic Development Strategy and Components

4.1 CENTRAL NEW YORK REGIONAL STRATEGIC OVERVIEW

To unlock the great potential of our region's economic and social assets, CNY REDC recognizes that collaboration is essential to leverage greater outcomes for our communities. We must not only seek greater economic objectives, but we must do so in a way that addresses the social opportunities and challenges we have throughout the region. Where we see economic barriers in the high cost of business, fragmented government, brain drain, and inequality, we also see opportunities to leverage public investments and develop public-private partnerships with anchor institutions to overcome those challenges and capture our economic potential.

As identified in Section 3, CNY REDC has identified three priority goals to guide this work:



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets



Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies



Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets

As discussed in detail in Section 2, Central New York has several critical industry sectors to build upon for its future prosperity. The sectors represent a cross-section of both traditional and new economy industries and share three common criteria: (1) they have a large base of existing employment in the region; (2) employment in these sectors is highly concentrated in Central New York; and, (3) there is

significant growth in regional, national, and global demand for the products and services these industries generate.

To achieve its goal of strengthening targeted industry concentrations that are leveraging unique economic assets, the CNY REDC has identified three primary strategies:

- ❖ **Invest in Existing Regional Industry Concentrations and Businesses** — Solidify the reach of regional industry clusters into growing global markets to create a sustainable framework for economic growth, while also protecting the region from downward economic trends making our core industrials sector more competitive and diversified.
- ❖ **Encourage Cross Industry Collaborations** — Leverage investments across industries and geographies within our region to spur research and development, leverage our talented workforces, foster entrepreneurship and innovation while also making a greater economic impact in municipal centers.
- ❖ **Attract Outside Investment and Interest** — Recruit new businesses and capital investment into our region by promoting the benefits of our productive workforce and our niche products and services in the global market place.

In pursuing these core strategies, Central New York's regional economic development efforts will seek to:

- ❖ Maintain its unique economic diversity
- ❖ Encourage cross-sector collaborations between industries with complementary skills, technologies and market-opportunities because new ideas often emerge at the intersection of existing knowledge
- ❖ *Leverage high concentrations of educational and medical institutions ("eds and meds") to further advance research and development within these clusters*
- ❖ Create quality jobs with a variety of entry points for workers of different skill levels

- ❖ Support industries that have a proven track record of offering career-advancement ladders



Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies

In order to improve competitiveness at the regional, national, and global levels, the region will make significant investments in several critical mechanisms that fuel economic growth through these five strategies:

- ❖ **Encourage New Venture Development, Product Development, and Process Improvement** — Create new businesses and position our industries so that CNY can remain competitive and nimble in addressing emerging demands in the national and global marketplace.
- ❖ **Prioritize Investments in Research, Innovation, and Commercialization** — Focus our investments in ways that leverage our “eds and meds” and other existing assets, build upon our strengths, and demonstrate a greater return on our investments in the innovation economy.
- ❖ **Capture a Greater Share of the Global Marketplace** — Significantly increase the exporting activity of our region’s strong industry clusters and attract new foreign investments.

- ❖ **Build a 21st Century Infrastructure** — Construct the virtual and physical infrastructure assets that make jobs more accessible, make the flow of information and ideas more efficient, and make the movement of goods more sustainable, low-cost, and effective.
- ❖ **Maximize Human Capital** — In order to improve our global competitiveness, the region must continue to maximize human capital, improve alignment between workforce supply and employer demand, create and support apprenticeship programs, and attract and retain students and young professionals.

These critical areas are the foundation for building an entrepreneurial environment and a sustainable economic future. They are necessary for creating a continuous flow of new ideas and working capital that will keep the regional economy strong, innovative, and collaborative. Through the implementation of these strategies, Central New York will:

- Maintain and improve its economic diversity
- Increase its skills base
- Create new employment opportunities for its residents
- Position the region to actively participate in, and benefit from, economic growth around the globe



The Port of Oswego connects our industries with markets around the world.



Preble, Cortland County

Photo by Dan Jackson | Courtesy of CenterState CEO



Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods

Just as the region's businesses operate in a global economy, the region's many residents live and work in an environment that is defined almost entirely by local and regional factors, including the quality of our communities and the ability of our region's municipalities to provide a competitive environment for employers while meeting the demand for high-quality public services.

In pursuing the goal to invest in and strengthen our region's cores, the region will implement these three strategies:

- ❖ **Rethink Our Urban Redevelopment Efforts by Leveraging the Region's Exemplary Anchor Institutions in Education, Health and Medicine, Arts and Culture, and Philanthropy:** Integrating their missions and physical investments in the community to build stronger neighborhoods, create a steady supply of talented workers, enhance the region's strong quality of life, and market regional opportunities to the rest of the

world through their national stature and social and professional networks.

- ❖ **Repurpose Existing Infrastructure to Recreate Density in Development:** Investing in our historic buildings and public places, rather than destroying them, in order to create a vibrant mixed-use environment of live, work, and play that reflects our distinct local character.
- ❖ **Retrain to Develop the Workforce of Tomorrow:** Empowering our most disadvantaged communities to take greater ownership of their assets and achieve prosperity by breaking down the social and economic barriers to education and professional success, while also reducing public expenditures on social services and law enforcement.

By deliberately investing in our region's urban cores and main streets, we will:

- Improve the economic engines of our region by creating quality communities of choice for residents and employers.
- Increase residency in our urban cores, thus reducing the fiscal impacts associated with unmitigated sprawl and improving spatial efficiency, particularly the spatial mismatch that exists between housing and employment opportunities.
- Increase density and heighten social and economic activity in our central business districts.
- Build new human and social capital that is critical to our ability to innovate and compete in the global economy and sustain our competitive advantage.
- Embrace and fully integrate our long-held regional values in social justice and diversity in ways that yield greater productivity in the marketplace.

Aligning Strategies for a Sustainable Future in the Global Marketplace

By pursuing these three priority goals as the basis for a disciplined approach to making local, state, and federal investment in our region, Central New York will achieve its vision for strategic, equitable, and sustained prosperity. The region's economic diversity is central to its future success. Likewise, the holistic nature of the region's strategy will differentiate Central New York from its peers. The region will enable the growth and intersection of established target industries, while simultaneously investing in its communities and residents in ways that enable long-term global competitiveness.

Therefore, the transformational projects presented in this section represent innovation and entrepreneurship—not just within the industries they may represent, but also stand as social enterprises that help transform our neighborhoods and urban cores in ways that make the region more globally competitive. They build upon collaboration—not just in managing the economic assets that fuel their development, but among the public agencies, anchor institutions, and economic development entities that drive public engagement. And they promote cross-sector integration—not just in

“Encourage breaking out of doing it the way we’ve already done it.”

—COMMENT, PUBLIC FORUM #1

the ideas and processes that drive the development and distribution of products and services, but in the way Central New York’s families, cultural institutions, and businesses feed into each other. Collectively, all of the projects listed in this plan represent investments that maximize the public good we envision as a region, and they set a foundation for transformative prosperity across Central New York.

4.2 A PLAN FOR TRANSFORMATIONAL CHANGE IN ECONOMIC DEVELOPMENT



Through a strategic partnership with the Brookings Institution, the region has identified four market levers reflective of our overarching goals, existing assets and critical opportunities described in this and earlier sections: regional industrial clusters; connecting people, jobs, and housing; workforce alignment; and innovation infrastructure. These levers are core to our economic development framework—in aligning the projects and initiatives described below that promise to have a catalytic impact on our region’s future prosperity. The council recognizes that funding does not currently exist for many of these initiatives; however, it strongly recommends the creation of future support mechanisms that can advance these transformational projects:

❖ Regional Industrial Clusters

NYE-RIC - New York Energy Regional Innovation Cluster

NYE-RIC is a statewide alliance focused on accelerating the development and deployment of innovations to dramatically improve energy efficiency in buildings. As a national model for revitalizing rust belt communities, NYE-RIC will create tens of thousands of good, green/clean-economy jobs across New York State by harnessing the R&D and advanced manufacturing assets in upstate, along with the exceptional strengths in finance, media, and real estate in the New York City metropolitan area. The partnership also leverages New York City’s and the State’s leadership in energy and climate-change policy. Specifically, NYE-RIC will synchronize research, development, and demonstration (RD&D) projects across New York companies; use New York City as a gateway to global markets for innovations in building energy efficiency; target energy improvements in buildings of every size, purpose, and scale; and strengthen the economic, social, and environmental vitality of multiple regions across the state. This project represents a total proposed investment of \$225 million over five years, including \$150 million from private and

federal sources, catalyzed by \$75 million from multiple New York State sources.

Food-to-Market and Agricultural Programming

Central New York, not unlike the rest of New York State, has a very diverse food and agriculture system. There is a wide array of commodity and specialty crops produced here, including national strengths in milk and dairy products, meat, produce, poultry and eggs, forestry, wine, and ornamental horticulture as well. For example, Central New York’s muck lands give the region unique commercial crops, such as onions and lettuce; the warmth of Lake Ontario gives us the fruit belt; and we are the home of the “Great New York State Fair” and New York Farm Show. Central New York is uniquely poised to be the agribusiness “hub” of New York if it can coordinate its use of agricultural and natural resources in order to drive its economy. Creating more robust systems for local food and regional energy production can dramatically reduce our carbon footprint, while bolstering mutually beneficial economic relationships between urban and rural areas. There are many opportunities for regional producers to access larger urban markets throughout the eastern seaboard. Such an initiative will require significant regional collaboration, shared investments, and improved infrastructure.



Madison County dairy farmers attend a presentation on beef safety.

Photo courtesy of Madison County Tourism

Tourism in the Arts and Culture

Our region has an abundance of arts and cultural opportunities, with world-class offerings by individual artist studios to large-scale performance venues. In between, our college campuses, small neighborhood galleries, community theaters, and summer festivals provide the diversity of programming that exemplifies the quality of life we have to offer to our residents. The New York State Council on the Arts has been a valuable resource and partner in Central New York, supporting the development of emerging artists and organizations through its Decentralization and Local Capacity Building Grants, administered by the Cultural Resources Council (CRC), and ensuring home grown talent has a chance to flourish. Yet to truly capitalize on our cultural assets, and our rich American history, we must access broader audiences and find ways to leverage community support for the arts to reach national and international markets. In 2010, a broad base coalition of community foundations, the Syracuse Convention and Visitors Bureau, the CRC, and other partners embarked on the IDEAS (Initiative for Developing and Engaging Audiences in Syracuse) Collaborative to expand capacity building beyond individual artists and cultural venues to create a coordinated approach to marketing the area to larger audiences. With the additional development of the Finger Lakes Musical Theatre Festival, and CNY

REDC's continued pursuit to leverage our cultural assets, New York State has an important role in supporting and investing in regional collaborations that can transform our region into an international cultural destination.

Project "Top Hat"

A Fortune 1,000 financial services firm is considering a major expansion in multiple regions in upstate New York. This company currently operates in New York City, Onondaga County, and other upstate locations. They have enjoyed benefits related to costs and a productive workforce in upstate New York and view the region as attractive for additional expansion in the areas of accounting and client services. The company is also exploring other locations in the United States and internationally. The planned expansion would have an impact in both the Mohawk Valley and Central New York regions. In order to accommodate the anticipated growth, the project will engage institutions of higher learning in terms of internships, curriculum development, and employment opportunities.

❖ **Connecting People, Jobs, and Housing**

Municipal Core Mixed-Use Investment Program

The Restore New York program was one of the few successful programs that provided needed gap financing to mixed-use projects of all sizes throughout the state; however this program ended in 2009.

Investment in CNY's tourism opportunities can transform the region into an international cultural destination.



The Everson Museum of Art, Syracuse, Onondaga County

Photo by Steve Sartori | Courtesy of Syracuse University

“Increased access to technology (Internet, cable, broadband) is needed in many rural areas.”

—PUBLIC COMMENT, CNY REDC 6 MEETING

Restore NY provided more than \$300 million to commercial and residential redevelopment projects throughout the state over three years, leveraged unprecedented private capital, and proved to be one of the most transformational municipal core redevelopment programs in the state’s history. This program benefits small villages and large urban centers alike and is critical to getting new commercial and residential construction moving in CNY’s municipal cores. New York State must consider the creation of another round of funding for the Restore NY program as a component of an urban development strategy.

Broadband / Connectivity Infrastructure

In an increasingly interconnected marketplace, ubiquitous high-speed, inexpensive broadband Internet access is a key component to thriving economies in both urban and rural communities. Broadband connects companies, both low tech and high-tech, to local, regional, national, and global markets. It is a valuable resource for education, research, and employment opportunities from home offices. Many rural communities have not felt the benefits of affordable broadband. This has left a key part of New York behind, disconnecting its citizens from each other and the broader economy, and serving as a disincentive for small companies, even those not part of the high-tech sector, to start in or relocate to rural areas. Affordable broadband bridges distance, allowing telecommuting during bad weather or on a part- or full-time basis. Broadband also allows farms and other agricultural producers to participate fully in an integrated supply chain, connecting the field all the way to the end user.

Rural areas in Central New York need a strategy to support investment in broadband, whether through local cooperatives or by making areas attractive for traditional commercial players to provide services. Financial support available from the federal government coupled with recent changes at the federal level for allocation of the Universal Service Fund present opportunities to jumpstart investment in this sector. The state needs to provide leadership to ensure that this opportunity is seized to benefit rural areas.

Additionally, high speed broadband is critical for growing small and midsize companies, regardless of their location, as they work to connect with the national and global marketplace. Larger institutions and companies are able to bypass the local market or leverage large volumes to force competitive rates, but smaller companies and institutions remain at

a disadvantage. Again, leadership from the state, working with our region’s anchor institutions and public sector agencies, can open opportunities to develop a better connectivity ecosystem.

Region-Wide Waterfront Revitalization Strategy

Central New York benefits from significant water opportunities. Our border with Lake Ontario provides strong commercial and recreational access to the largest surface freshwater system on the earth. The Port of Oswego connects our industry through the St. Lawrence Seaway to global markets. The Finger Lakes offer one of the great tourism attractions in the United States, and along with our region’s streams and rivers, provides one of the greatest sports fisheries in the world. These waterfronts also provide Central New York with a myriad of opportunities for waterfront development. Recognizing our region’s potential, Catalytix (2003) wrote in Blueprint for Creative Growth, “Creative workers prefer places with a diverse range of outdoor recreational activities. Access to water and water based recreation seems to be of particular importance to these workers....Upstate New York is home to numerous outstanding recreational water opportunities, including the Finger Lakes. Its water to land ratio exceeds 20 of the 25 benchmark regions.”

To unlock the full economic potential that our waterfronts and waterways provide, New York State can be a leader in developing focused waterfront programs that leverage local investments in:

- Urban and small town revitalization. Auburn, Cortland, Fulton, Oswego, Baldwinsville, Brewerton and Syracuse all have significant waterfront revitalization opportunities in mixed-use development;
- Business recruitment for companies that are large water users, such as breweries or the semiconductor industry;
- Low-cost, clean hydroelectric power systems;
- Promotion and marketing in recreation and tourism; and
- The Port of Oswego, which can be used to ship goods throughout the northeast and the Midwest US and Canada through the Great Lakes linkages and the St. Lawrence Seaway.

❖ **Workforce Alignment**

Say Yes to Education

The first-ever, district-wide implementation of Say Yes to Education in the City of Syracuse is poised to be a

visionary, citywide turnaround model for education and economic development in urban centers across the nation. Building upon a collaborative governance model with a strong commitment to transparency and cross sector participation, Say Yes will not only remove one of the major barriers to urban re-densification by creative vibrant, productive schools, it can produce the talent required by our key industry clusters. Since 2009, graduation rates have increased nearly 5%, and the percent of students attending college increased nearly 20%. In 2011, the city schools experienced an increase of enrollment for the first time in 10 years with 320 new students. In just over a one-year period, 9th grade students passing Regents algebra increased 31%, and the number of 9th grade students who dropped out or were inactive declined 44%. While this data represents early results in the City of Syracuse, Central New York is advancing Say Yes to Education to make a regional impact.

Say Yes Summer Academies: Say Yes to Education proposes to operate summer success academies for graduating high school students from across the five-county region to prepare them for college success. This program is designed to support high school graduates who have been admitted to college but test into at least one developmental course, and are from low-income backgrounds. Four- to six-week academies will be operated at public and community colleges for matriculating college students. Each academy will ensure students have a career focus as they enter the higher education environment, thereby addressing the number one reason cited in research as to why students drop out. Career development will center on many of the region's targeted industry concentrations and employers. A selection process will identify deeply committed students who will benefit from additional academic preparation. Programs will also address organizational skills, and how to navigate college resources to attain academic and professional success. Students who participate in the Say Yes Summer Success Academy will receive a last dollar tuition scholarship to attend four years of schooling at a SUNY or CUNY campus. In its full capacity, the summer academies are anticipated to cost \$11 million per year, with a request to New York State for \$2.25 million to leverage significant local investment from private and public sources.

Say Yes Higher Education Compact Scholarship: Strategic investment is needed in the Say Yes Higher Education Compact Scholarship Fund (\$1 million) and for the expansion of Say Yes Corporate Compact (\$250,000) into regional models that drive sustainable increases in postsecondary attainment and regional economic development (e.g. increased home values, increased public school enrollment, decreased crime rates, and decreased cost of public

assistance services). The aligned creation of a CNY Higher Education Compact and a CNY Corporate Compact will ensure that both higher education and the business community are connected and integrated across the region to increase the employee and employer base.

❖ Innovation Infrastructure

Innovate Upstate Fund

Over the past decade, upstate New York has developed a robust innovation ecosystem. More than \$2 billion annually is being invested in R&D at upstate academic institutions, and a strong support infrastructure has been developed to accelerate the development of early stage companies, many of which are spin-offs created through the downsizing of major manufacturers. The result is a strong pipeline of "investment worthy" ventures that offer high growth-return potential, but lack the seed capital infrastructure that will enable them to remain and grow in upstate New York.

There is a critical funding challenge facing entrepreneurs in emerging technology sectors who are in the critical stage of incubation, early stage development, and acceleration. New York State does not have a continuum of funding programs to assist "gazelle" companies, which are typically in sectors tied to regional strengths such as information technology, advanced manufacturing, biotechnology and life sciences, microelectronics, clean tech, renewable energy and environmental systems, and other emerging technologies. At a pre-revenue or early revenue stage, these promising companies are not candidates for financing from conventional sources, such as banks, private equity groups, or through public finance program, such as federal loan guarantee programs.

As the deal pipeline matures across Central New York, the timing and opportunity are now for the creation a regional fund, the Innovate Upstate Fund, to seed investments from the \$50,000 to \$2 million range, with an average investment from \$50,000 to \$500,000. Considerable research has gone into potential deal flow in upstate New York by such groups as Excell Partners, JumpStart NY, and others, and there is well demonstrated capacity to produce returns.

The Innovate Upstate Fund will help seed the most promising ventures across the region, working with professional fund management through a competitive process. It will provide critical risk capital to accelerate the launch of more startup companies, accelerate their trajectory through early stage development and technology commercialization, and help realize the promise of the innovation economy.

The identification of these market levers and transformational opportunities require continued action and partnerships at the local, state, and national levels. Locally,



The New York Energy Regional Innovation Cluster, based at the SyracuseCoE, is creating jobs and engaging more than 200 companies and institutions across the State.

Courtesy of CenterState CEO

CNY REDC encourages the recipients of public sector financing to reinvest in revolving funds to further advance our collective transformational opportunities. In so doing, Central New York should further leverage limited public investments by creating sustained funding streams for advancing the arts, research, innovation, and the inclusion of public art and green infrastructure in our public spaces, among other priorities.

CNY REDC will work with Central New York's leadership across local, state, and federal levels to address the policy barriers that constrain these collaborations, and will continue to empower the private and public sector partnerships that our transforming our region.

4.3 STRATEGIES, TACTICS, & PRIORITY PROJECTS

Guiding the attainment of our priority regional goals and the transformational initiatives are a series of strategies and tactics CNY REDC developed through engagement with the community, stakeholders and working groups. The following describes a comprehensive, deliberative approach to growing our region over the next five years, and also describes how CNY REDC's shovel-ready priority projects fit into our development plans for this year's current funding.



Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets

Over and over in developing our regional strategies we acknowledge and rely heavily on the deep and diverse base of intellectual capital that resides in the region's public and private colleges and universities, although nowhere more profoundly than in this, **our first goal: Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets.**

The multitude of industry clusters feeds into curriculum development, research activity, and product development within our colleges and universities, producing great assets unique to Central New York. Not only are those colleges and universities the source of innovation and research activity and a catalyst for commercialization, they are also the source of a trained workforce to drive further and further growth.

Examples of this co-facilitation are explicit in the green technology, agribusiness, and health care sectors where great facilities, companies, and public and private assets have driven equally great programs in higher education, and the development of such collaborative projects as the Syracuse Center of Excellence in Environmental and Energy Systems (SyracuseCoE), the Central New York Biotechnology Research Center, and others.

As mentioned in previous sections, our region has repeatedly not only been identified, but sought out and recognized by national economic think tanks and private



Seward House in Auburn

Photo by Kristian Reynolds | Courtesy of Cayuga County Tourism

foundations, such as CEOs for Cities, the Surdna Foundation, the Brookings Institution, Kauffman Foundation, and the Ford Foundation, for its unique array of business and educational partnerships. As such, Central New York will leverage its unique economic assets by deploying the following strategies and tactics:

❖ **Strategy: Invest in Existing Regional Industry Concentrations and Businesses**

In order to capitalize on opportunities, maximize existing investments and asset bases, and exploit our high intellectual capital and industry strengths, we have identified six industry concentrations upon which we intend to focus and further develop, both in the short and long term:

a. Clean Energy and Environmental Systems

The commercial activity and business assets in this concentration are in green energy and environmental systems, biomass thermal energy systems, and clean and renewable energy sources, as well as technology and research grounded in our natural resources, abundant clean water, controlled environmental agriculture and nuclear energy. These entities are supported by synergistic and complementary

firms in biosciences, manufacturing, engineering, architecture, construction, and transportation.

CEES collaborations have consistently led to innovation through the NY Indoor Environmental Quality Center, Environmental Quality Systems STAR Center, SyracuseCoE and The Clean Tech Center. The work of these centers has a collaborative outreach and synergistic connection to other industries, including electronics, instrumentation, agriculture, and materials/resource management.

To continue the growth of this unique industry cluster, Central New York will implement the following **tactics**:

- i. **Prioritize use of the SyracuseCoE headquarters cluster growth activities** — Support ongoing research and proof of concept demonstrations, and utilize the SyracuseCoE as a showcase for new products from CNY Firms.
- ii. **Support existing cluster growth assets** — Secure new state and federal funding for the SyracuseCoE and NYE-RIC. Sustain the Clean Tech Center at the Syracuse Tech Garden.
- iii. **Support and encourage the commercialization of disruptive technologies** — Work with existing regional business in this sector to develop and deploy new technologies to meet global demand
- iv. **Integrate CEES products into local revitalization efforts** — Use CNY neighborhoods, businesses, and governments as a living lab for the deployment of regionally developed technologies.
- v. **Build connections and partnerships** — Strengthen connections and partnerships of CNY firms to top CEES international and domestic growth markets.
- vi. **Adopt LEED standards** — Support the adoption of LEED standards for municipal projects and private development.
- vii. **Advocate for a Renewable Energy Certificate market** — Develop and implement a plan to advocate for a Renewable Energy Certificate market in New York and reduce energy expenditures that leave this state.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- NYE-RIC Advanced Building Consortium R & D Labs at the Syracuse Center of Excellence (SyracuseCoE) (Onondaga County)** — Funding is needed to fit-out available space at the SyracuseCoE for new research and development labs specifically focused on New York Energy Regional Innovation Cluster opportunities, including fuel-cells; combined heat and power systems; smart grid applications; photovoltaic and wind power generation; and battery and energy power storage.
Costs: \$8.7 million
Jobs: 40 new/20 construction
Amount Recommended: \$3 million
- Healthway Home Products, Inc — Plant Expansion (Oswego County)** — Healthway Home Products is proposing an 18,000-square-foot plant expansion in Pulaski, N.Y. (Oswego County). The expansion will substantially increase the company's capacity to manufacture allergy purification equipment for the global hotel industry.
Costs: \$1.4 million
Jobs: 27 new
Amount Recommended: \$100,000
- Fulton Companies – Growing Manufacturing Employment through Commercializing Low Emissions R&D Projects (Oswego County) –** Completion of a 112,000-square-foot plant expansion to permit the manufacture of large steam boilers and low emissions boilers for industrial applications for a global market, including China.
Costs: \$2.7 million
Jobs: 25 new/15 retained
Amount Recommended: \$900,000 excelsior tax credits
- Ephesus Technologies (Onondaga County)** —A lighting innovation company and Tech Garden tenant is commercializing new LED lighting technologies plans to relocate to a new research and design headquarters while also building manufacturing and testing capacities at its facilities throughout the state.
Total Project Cost: \$8.99 million
Jobs: 24 new
Amount Recommended: \$500,000

b. Health, Biomedical Services, and Biosciences

This broad cluster has become one of the region's strongest employers, showing steady, sustained growth and increasing diversity. While these sectors are each distinct and unique, the cumulative cluster strength of biosciences, health care, and biomedical services provides great business and education synergies. Biosciences research and business organizations and health care institutions in the region are supported by several medical schools and leading bioscience, pharma, and medical device companies.

Nationally recognized quality health care institutions, such as Upstate University Hospital and St. Joseph's Hospital Health Center, are investing hundreds of millions of dollars in capital infrastructure, upgrades, and expansions as well as in neighborhood investments and cross-sector partnerships. These institutions and others, such as Crouse Hospital, are recognized nationally for quality of care, but are also access points for hundreds of millions of dollars in private and public funding for medical/health care education initiatives; new partnerships in health care regarding access, alignment, and quality/access of care; and the development of new medical device technologies and demonstration projects. Additionally Central New York is a host community of a Nationally Federal Qualified Health Center (Syracuse Community Health Center), a unique pipeline of federal funding.

New York State hosts the fourth-largest bioscience cluster in the United States, and our region's history in biosciences is rooted in the corporate headquarters of international bioscience and advanced manufacturing companies, such as Hanford Pharmaceuticals and Bristol Myers Squibb, and continuing global headquarters for such leaders as Welch Allyn and InfiMed. MedTech, the industry trade association for the bioscience community in upstate New York is a national leader among state bioscience associations and is headquartered in Central New York. The strong presence of both medical device manufacturing and large health care institutions provide many opportunities for real-time product development and commercialization, and create an ecosystem of industry-specific resources supporting the growth of startups and small bioscience companies—encouraging investment in new products and R&D.

Fundamentally, the region's assets in this cluster provide a unique continuity in the development (strong educational institutions), production (strong advanced manufacturing sector) and vetting (many, highly regarded clinical environments) of medical devices and other bioscience products.

To further catalyze the growth of this critical industry, Central New York will implement the following tactics:

- i. **Promote new ventures by aligning assets with related industry clusters** — Partner with other strong business clusters to create a dedicated R&D/Innovation Space, such as the CNY Biotechnology Research Center, and St. Joseph's Hospital/Welch Allyn's Floor of the Future project.
- ii. **Develop and deploy technologies to improve the quality of care and reduce cost of care** — Expand capabilities in the areas of tele-health, telemedicine and electronic health records. Continue regional commitment to electronic health record adoption and HealtheConnections health information exchange.
- iii. **Encourage existing companies to advance new products and processes** — Foster a stable and supportive environment to assist companies to bring new products to market and invest in new advanced manufacturing techniques. In addition, redevelop key brownfield sites for possible re-use by growing bioscience companies.
- iv. **Provide medical and bioscience workforce alignment services** — Prioritize attraction, retention, and retraining programs for the regional health care (through programs such as Health Train) and bioscience workforce (through programs such as a replication of iSciWNY, and expansion of the National Science Resources Center), with a particular focus on programs to fill persistently unfilled positions. Create a health care credentialing process to allow skilled immigrants to enter and thrive in health care related jobs, and an expanded GxP programs specific to the biosciences industry.
- v. **Support the growth of start-ups and small bioscience companies** — Create industry specific resources, like a regional bio-incubator and entrepreneurial acceleration program, through the continued build-out of the Biotechnology Research Center.
- vi. **Encourage the growth of medical tourism** — Partner with medical providers and tourism promotion organizations to craft and deploy targeted medical tourism campaigns to high growth foreign and domestic markets.
- vii. **Increase regional wellness and preventative health measures** — Focus efforts on reducing health care burden on public finances.
- viii. **Increase and promote regional health collaborations** — Reduce duplication and waste in the health care delivery system, lowering costs for providers, business and consumers.
- ix. **Expand capacity for ambulatory primary care** — Improve access to care in our rural areas and reduce costs of care for consumers.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Completion of the CNY Biotechnology Research Center (Onondaga County)** — A bioscience incubator is planned to open in June 2012 located at Kennedy Square in a brownfield redevelopment project already underway in the heart of the City of Syracuse. This incubator will provide startup laboratory and development space, currently in short supply and in high demand across the region and the state.
Total Project Costs: \$24.7 million
Jobs: 200 new/80 construction
Amount Recommended: \$1.95 million
- **Demolish and abate vacant structures and land for the biotech park at Kennedy Square (Onondaga County)** — Owned by SUNY Upstate Medical University, this vacant blighted public housing project encompasses 14 acres in need of demolition and redevelopment. With the CNY BRC currently under construction on the site, nine additional acres will become "Shovel-Ready," with limited environmental issues to resolve, and prepare it for high-quality private-sector development.
Total Project Costs: \$229 million
Jobs: 700 new/650 construction
Amount recommended: \$ 3.6 million
- **St. Joseph's Hospital Health Center (Phase 2B Expansion) (Onondaga County)** — This facility expansion, part of the hospital's long-range plan to help meet the community's growing demand for services, will include private rooms, intensive care units, and a new operating room suite with capability to handle hybrid technology. Several green energy initiatives are expected to reduce annual greenhouse gas emissions by nearly 2,200 metric tons, supporting regional, state, and federal energy conservation goals.
Total project cost: \$138.65 million
Jobs: 147 new/400 construction
Amount Recommended: \$2.5 million
- **United Health Care (Onondaga County)** — UnitedHealthcare seeks to locate its Regional Center serving six states to 30,000 square feet of currently available office and storefront space in downtown Syracuse. The Regional Center will offer services that include health care access and community outreach, telephonic services addressing the areas of clinical outreach, long-term care, case management, and Medicaid and Medicare outreach.
Total Project Cost: \$1.95 million
Jobs: 150 new/30 retained
Amount Recommended: \$250,000 capital, \$3 million excelsior tax credits

c. Financial Services

The region has established itself as strong in the financial services cluster primarily because (1) it possesses a critical mass of financial services and insurance firms, (2) has a significant talent supply, which is extremely cost competitive with other financial services locations and (3) the cost of space and operations is lower in CNY than other financial services locations.

To continue capturing and increase the economic opportunities presented by this growing industry sector, Central New York will implement the following tactics:

- i. **Expand existing business outreach and marketing program** — Efforts are already underway with the Central Upstate Regional Alliance that uses business executives to identify prospects, arrange client meetings, and build relationships
- ii. **Align educational programming to respond to particular skill demand** — Create new programs, such as a fund accounting curriculum, to support current financial services attraction efforts. Support risk management program at SUNY Oswego, which directly supports the region's insurance industry
- iii. **Invest in Cybersecurity research and connect with internship opportunities**

- iv. **Leverage collaborations** that provide for real-world engagement between researchers and students, such as Syracuse University's partnership with JPMorgan Chase.

- v. **Target pre-screened financial services prospects** — Streamline incentives and approval process for prospects with the potential to have a transformational, cross-regional impact, such as Project "Top Hat."

d. Agribusiness and Food Processing

Regional assets in agribusiness and food processing are extraordinary with a number of leading national agribusiness and food production companies located in Central New York, such as nationally recognized market leaders in meat packaging, yogurt, and other products (e.g., HP Hood is the largest producer of eggnog; G&C Distributors is the East Coast's largest meat distributor). The existing Dairylea Cooperative processing center, the largest dairy cooperative in the Northeast United States, is a supply chain and market asset due to its strength and size. New food development opportunities exist to serve a growing Latino population. Further invaluable to this specific sector, CNY has a large, skilled agriculture manufacturing workforce. Central New York also has strengths in unique commercial crops (e.g. onions and lettuce), a productive fruit-belt thanks to the warmth of Lake Ontario, and is the host community of the State Fair, a statewide agribusiness showcase and attraction.



Courtesy of CenterState CEO

“Central New York is a significant contributor and increasingly focused on value-added opportunities for agri-business.”

—MADISON VOICE OF THE COUNTY

In support of the one of the state’s historic and longstanding economic strengths, Central New York will implement the following **tactics**:

- | | |
|--|---|
| <ul style="list-style-type: none"> i. Expand “food to market” programs and partnerships ii. Provide economic assistance to food processors and value-added agriculture
— Partner with the state to develop an economic assistance program targeted specifically for food processors and value added agriculture. Programs could include a dedicated fund to construct methane digesters on locally owned farms. iii. Launch a new agricultural product development initiative — Initiative would | <ul style="list-style-type: none"> iv. Fill the demand for on-farm workers—
Establish a training center to address the shortage of skilled, on-farm workers. This center could specifically target and partner with refugee and immigrant resettlement programs. v. Invest and incentivize adoption of advanced manufacturing processes in agribusiness vi. Link agriculture to broader regional tourism effort |
|--|---|

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Cayuga Ingredients LLC Milk Processing Plant (Cayuga County)** — This project would expand milk processing capabilities in Cayuga County with the addition of new building space and critical equipment. Seventy six percent of the products from the expanded facility will be exported internationally.
Total Project Costs: \$88 million
Jobs: 52 new/285 construction
Amount Recommended: \$1.5 million / \$2.5 million excelsior tax credits
- **Champlain Valley Specialty - Food Manufacturing (Oswego County)** — This project would re-use a vacant onion processing plant and a warehousing facility in Oswego to create a fruit processing and packaging facility supplied by Central New York and Finger Lakes fruit farms.
Total Project Costs: \$4.5 million
Jobs: 60 new jobs
Amount Recommended: \$800,000 excelsior tax credits
- **Aquaculture Expansion at Morrisville State College (Madison County)** — This project would expand a controlled environment, mixed-use aquaculture, and greenhouse facility utilizing green technologies to facilitate new opportunities in next-generation food production.
Total Project Costs: \$800,000
Jobs: 10 new
Amount Recommended: \$150,000
- **NY Beef Farmers Cooperative (Multi County)** — Vertically Integrated Further-Processing and Marketing Enterprise — A further-processing facility, retail storefront, and wholesale distribution hub to be built in Madison County in 2012. The enterprise is centered around co-op-owned meat to supply regional and wholesale markets.
Total Project Costs: \$2.7 million
Jobs: 10 new
Amount Recommended: \$200,000
- **Owera Vineyards (Madison County)** — A new winery and community farm on 58 acres adjacent to Cazenovia Lake will construct a winery building and barn be used for wine production, tastings, and related events. The project also includes the purchase of machinery and equipment, and related site development. Owera is the first winery in county and adds to the region’s growing beverage trail.
Total Project Cost: \$3.5 million
Jobs: 6 new/4 retained
Amount Recommended: \$994,000

e. **Advanced Manufacturing**

As mentioned in previous sections of this plan, the Battelle Institute recently outlined “High Potential Technology Clusters for Central New York,” which included the biosciences, digital and electronic devices, environmental systems, packaging, and precision metalworking as asset clusters presenting great opportunity in this region. Additionally, labor and workforce data demonstrates Central New York has additional strengths in pharma, biotechnology, air quality, and medical devices. These assets have evolved over time from a history shaped by manufacturing prowess and innovation, and a diversity of business enterprises which lent themselves to the array of competencies seen presently. Our rich manufacturing history itself is an asset in Central New York. Moreover, Central New York’s location at the center of the State, and perfectly positioned at the intersection of Routes 81 and 90 presents further growth opportunities. Most of the markets targeted and accessed by the region’s manufacturers are global, and present the prospect of further growth in exporting, if given appropriate supports.

One of the greatest strengths of the New York State manufacturing sector is its understanding of the value of a highly skilled worker. An emphasis on skilled labor driven by the demands of a historically manufacturing focused economy in years past has allowed New York State manufacturers to remain sustainable, expand their production, and grow their business. There is further opportunity to transfer the traditional manufacturing skills of the regional workforce to new high tech (i.e. CEES) industries and the developing clusters named above.



CNY strengths in biotechnology, biosciences, and medical devices, among others, provide significant wealth and employment in the region.

Courtesy of CenterState CEO

To continue the sustainable growth of this critical industry sector, Central New York will implement the following **tactics**:

- i. **Develop advanced accelerator and R&D space** — Complete the Nanotechnology Innovation and Commercialization Excelsator(NICE) to serve defense, radar, and sensor industries. Support Central New York’s Unmanned Aerial Vehicle application to the Federal Aviation Administration.
- ii. **Foster local supply chain usage and integration** — Create a Central New York strategy to promote supply chain usage and development. Identify key supply chain providers who reside outside the state and seek to attract them to the region.
- iii. **Invest in existing infrastructure assets** — Continue to develop infrastructure assets, like industrial parks and existing advanced manufacturing sites.

- iv. **Deliver robust workforce alignment and development programming** — Further develop cluster focused learning and training through new manufacturing sector certification programs. Engage Pre-K-12 students in manufacturing related skills development and career ladders through science, technology, engineering, and math (STEM) education and training.
- v. **Assist in expansion and retention efforts of region's anchor advanced manufacturers** — Firms like Welch Allyn, Anaren, Saab Sensis, Lockheed Martin, Novelis, Inficon, Pall, McQuay, Nucor, Marquardt Switches, Inc. , Felix Schoeller Technical papers, Hutamaki Consumer Packaging, Owl Wire and Itt/Gould Pumps provide significant employment and wealth for the region; their continued growth efforts must be supported.
- vi. **Expands efforts to reduce costs common to manufacturing** — High utility and workers compensation costs continue to stymie the growth of this industry cluster.
- vii. **Streamline state supported economic assistance programs** — Increase outreach to advanced manufacturing sector companies and identify ways to improve the interaction between companies and state agencies.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **C-Speed Advanced Technology Manufacturing Center Expansion (Onondaga County)** — C-Speed has developed and will bring to market air surveillance radar to mitigate wind turbine clutter.
Costs: \$3.45 million
Jobs: 225 new
Amount Recommended: \$250,000 capital, \$6 million excelsior tax credits
- **Currier Plastics (Cayuga County) - Plant Expansion** — Currier desires to complete a plant expansion to meet increasing demand for its products.
Costs: \$7 million
Jobs: 40 new / 100 retained
Amount Recommended: \$750,000 capital, \$1 million excelsior tax credit
- **Cooper Crouse Hinds R&D Lab (Onondaga County)** — Expansion of research lab for product development and improvement and rationalization
Costs: \$2 million
Jobs: 9 new (4 lab techs, 5 engineers) / 29 retained
Amount Recommended: \$500,000 excelsior tax credits
- **Dupli Inc. Transition to New Printing Technologies (Onondaga County)** — Acquisition of new printing machine and technology and plant expansion that will allow Dupli to allow transition to new and efficient envelope printing process.
Costs: \$700,000
Jobs: 10 new
Amount Recommended: \$245,000 capital, \$250,000 excelsior tax credits
- **Hutamaki (Oswego County)** — This project will add new manufacturing capability to the Fulton plant. Additional equipment will add 200 million units of additional capacity, will help the company reach new markets, and will retain hundreds of jobs in the community.
Total Project Cost: \$4 million
Jobs: 25 new/80 retained
Amount Recommended: \$1 million excelsior tax credits
- **Cortland Plastics (Cortland County)** — A rapidly growing extrusion blow-molding custom plastics manufacturer located on Main Street in Cortland, Cortland Plastics will add equipment and manufacturing capacity as a result of growing customers and sales.
Costs : \$680,000
Jobs : 10 new
Amount Recommended: \$125,000
- **Clay Business Park Development (Onondaga County)** - Build out of publicly owned business park that can accommodate shovel-ready private greenfield investment from large or small manufacturers.
Costs : \$6.2 million
Jobs : 104 construction / 1,000 potential
Amount Recommended: \$2 million

❖ **Strategy: Encourage Cross-Industry Collaborations**

Though supporting the individual growth of the region's core industry clusters remains a priority, traditional economic development efforts can no longer view these clusters in a compartmental manner. Opportunities abound in the intersection between these clusters and this is often the area where true innovation and economic growth can occur.

To promote integration across sectors of the Central New York economy, regional economic development activities will focus on the following tactics:

- i. **Encourage business and higher education collaboration** — Form a council of businesses and higher education professionals to drive workforce and curriculum development efforts for our target industry sectors.
- ii. **Capitalize on alumni connections** — More aggressively mine the significant alumni networks for workforce opportunities as well as business connections, network development and opportunities in facility siting and relocation of jobs.
- iii. **Transpose workforce assets across business sectors** — Leverage skills developed to grow particular sectors to support the workforce demands of the region's additional strong business sectors.

❖ **Strategy: Attract Outside Investment and Interest**

A key method to building wealth in a region is the attraction of new customers and sales from outside of the region or the country. Opportunities abound to both attract new businesses, especially ones aligning with our regional industry strengths, and also foster growth of conventions and new visitors to the region's tourism destinations.

a. **Attract New Business Through Regional Outreach and Marketing**

To attract investment and jobs to the region from businesses already located here who are looking to expand, or from businesses who have no current operations within the region, efforts will focus on the following tactics:

- i. **Pursue businesses that can benefit from regional assets** — Identify a set of unique regional assets, including such items as existing businesses, workforce, R&D, natural resources and facilities and pursue businesses that operate in sectors which could benefit from those assets.
- ii. **Use a proactive marketing and attraction approach** — Use personal visits, prospecting calls, direct mail, targeted emails, trade shows, regional web sites, and advertising to educate and attract those businesses.

- iii. **Engage directly with site selectors** — Develop relationships with national site selection professionals who site projects in the business sectors which align with the regions assets.

b. **Expand Tourism and Regional Visitation**

The Central New York region's history and culture is rich and nationally significant from the abolitionist movement and the Underground Railroad to the Erie Canal to suffrage efforts leading the country into newly defined freedoms and human rights. These inherent assets alone would serve any region's tourism initiatives well, but this region also boasts tremendous arts assets, such as the Everson Museum in Syracuse, an emerging and diverse theater initiative in Auburn, the Coalition of Museums and Arts Centers of Syracuse University, a wealth of grassroots arts galleries and micro public arts movements, professional and collegiate athletics, a multicultural palate of tremendous dining opportunities, and natural water and land resources of the Finger Lakes, Lake Ontario, the Thousand Islands, and the Erie Canal are valuable assets.

To align tourism promotion programs and truly make Central New York a vibrant destination region, Central New York will pursue the following tactics:

- i. **Complete tourism and convention enhancement assets** — Finish development of a Convention Center Hotel in Downtown Syracuse
- ii. **Engage regional businesses in convention attraction efforts** — Use local businesses and individuals who have memberships in regional, statewide, and national associations and groups to facilitate convention attraction efforts.
- iii. **Partner with statewide and adjacent regional efforts** — Partner with 'NY is Open for Business' and 'I Love NY' campaigns to increase external awareness of region's amenities.
- iv. **Further expand and deploy existing regional brands** — The Creative Core brand has become recognized across the northeast. An additional asset, the Creative Core Connect mobile app, has just been launched.



- v. **Coordinate tourism promotion** — Develop coordinated packaging, signage, event planning, and beautification initiatives. Coordinate a collaboration and marketing of individual local tourism businesses and organizations to provide uniform outreach

- capacity. Further, new, nonconventional partnerships should be formed that celebrate the region's unique assets, such as highly skilled immigrant communities.
- vi. **Create regional programs among arts and cultural organizations:** Initiatives like the Finger Lakes Musical Theatre Festival have high potential to produce sustained tourism returns to the region while growing access to national and international audiences.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Finger Lakes Musical Theatre Festival (Cayuga County)** — This project involves the development of three new theatre venues, as well as the other facilities needed to support a summer-long, multi-venue theatre festival based in and around Auburn, New York. Funds from this grant will be used to construct the scenic and set production facilities that will support the new venues, including a new \$7.7 million multi-use performance center that is under development.
Total project cost: \$12.6 million
Jobs: 19 new / 63 new seasonal / 59 construction,
Amount Recommended: \$751,450
- **Abbott House Renovation (Cayuga County)** — This project involves the renovation of a historic property in Aurora, New York, to expand the room and convention inventory for the Inns of Aurora.
Total project cost: \$9.5 million
Jobs: 35 new / 100 construction / 100 retained
Amount Recommended: \$250,000

Resolving Critical Issues

While not every existing industry within the region will be positioned for sustained or continued growth, the strategies and tactics outlined above are designed to achieve a positive impact on the regional economy as a whole by focusing limited resources on the most competitive, fastest growing industries. This approach also addresses the issue of low wages, as most of the priority industry clusters pay a higher than average annual wage. It also addresses unemployment, as the region's fastest growing employers are within these industry clusters, offering jobs across many skill levels.

The "high cost of doing business in New York State" is still a perceived and real barrier for companies in the state, as well as companies considering moving or expanding their operations into New York. Page 79 of this strategy section details several public policy recommendations for addressing ongoing

concerns, such as taxes, regulatory hurdles, difficult to navigate processes such as permitting and licensing, and energy costs. The council recognizes that these policy changes will require time, additional resources, and political will to resolve.

To its advantage, the Central New York region has a solid head start on implementing a regionally based, industry cluster driven economic development strategy. The region will build on this foundation for the continued growth through strengthening and supporting the most competitive industries sectors that align with the region's unique assets and workforce strengths.



Improve Competitiveness in and Connections to, the Regional, National, and Global Economies

The region's economic development strategy acknowledges and embraces the global nature of today's economy and positions businesses, large and small, to compete in an increasingly competitive marketplace. Currently 95 percent of the world's consumers, as well as 30 of the fastest growing metros, are located outside of North America. The fastest growing economies in the world are in Asia, the Middle East, and South America. The region exports 10 percent of its regional output—approximately \$3.2 billion—to global markets. Improving export performance is critical to the long-term competitiveness of the region. Export-driven jobs also provide higher-wages for the region's residents. Our second strategic priority goal, **Improving Competitiveness in, and Connections to, the Regional, National, and Global Economies**, naturally advances our first goal, **Strengthening Targeted Industry Concentrations that are Leveraging Unique Economic Assets**.

We are well positioned to see great success from a dedicated effort to increase our global connectivity and export activity. The region's geographic position is an asset in our effort to attract new foreign investment from global companies looking to serve domestic markets. More than half the population of the United States and Canada is located within 750 miles of the region, and this geographic advantage is enhanced by comparatively competitive real estate and labor costs. According to the Brookings Institution, our proximity to the Canadian border, the global ports of New York, New Jersey, and the presence of our own port in Oswego are incredible infrastructure assets to this region. The region has unmatched natural resources and comparatively competitive real estate and labor costs. Central New York has a unique diversity in terms of firm size and industry to support an increase in exporting of goods and services. The region is also noted for its collaborative and effective approach towards growth. These assets provide a strong foundation to be competitive within the global economy.

We are also well positioned to support the continued growth and development of an infrastructure to fuel regional innovation and entrepreneurship. As discussed previously, our research and development capabilities are significant, with strong research programs at Syracuse University, SUNY ESF, and SUNY Upstate Medical University. Regional economic development organizations, like CenterState CEO, have prioritized programming dedicated directly entrepreneurial

“Promote and expand on opportunities for mentoring.”

—PUBLIC COMMENT, REDC 6 MEETING

startup and growth services. Further, there is a broad umbrella of support services, programs, and resources in Central New York for small business development.

Supporting this infrastructure are extraordinary community-based assets. The region is home to some of the top-ranked entrepreneurial programs in the country, including Syracuse University’s Whitman School of Management, home to the Falcone Center for Entrepreneurship, South Side Innovation Center (13,500-square-foot incubator serving Syracuse’s distressed South Side) and such flagship programs as Women Igniting the Spirit of Entrepreneurship (WISE), along with Entrepreneurial Assistance Programs (EAP) initiatives for veteran entrepreneurs.

Entrepreneurship infuses the curricula across all disciplines at Syracuse University, and there are also strong programs at Le Moyne, Wells, Morrisville State College, SUNY ESF, SUNY Cortland, Tompkins Cortland Community College and Cayuga Community College. Community-based incubators support entrepreneurs in Madison County (Nelson Farms food incubator) and Cayuga County (Stardust Entrepreneurial Institute in Auburn), and new facility being developed in downtown Cortland. Upstate Medical University and SUNY College of Environmental Science and Forestry are engaged in the development of a major CNY Biotechnology Research Center, which will be a focus of innovation and new venture development in that sector.

The region’s economic development strategy acknowledges and embraces the global nature of today’s economy and positions businesses, large and small, to compete in an increasingly competitive marketplace. Central New York’s highly educated workforce forms the foundation for those investments, as does its unique concentration of high-quality higher-education, research and development expertise, and proximity to the Canadian border and global ports of New York City and Newark, N.J. As such, Central New York will ensure sustained competitiveness in the global market by pursuing the following actions:

❖ **Encourage New Venture Development, Product Development, and Process Improvement**

Building a robust innovation ecosystem is the backbone of bringing knowledge to market, driving new ideas that lead to the products, technologies, and services of tomorrow. It is therefore essential that programs and systems be in place to provide the region’s businesses (large and small), and entrepreneurs with the resources to grow their ideas and new ventures into viable enterprises. If successful, these strategies will create jobs, launch and grow businesses, and strengthen those industries that the region has identified as most competitive.

a. **Build a World-Class Entrepreneurial Ecosystem**

To ensure that Central New York is prepared to build a world-class entrepreneurial ecosystem it must

capitalize on the incredible strength of the region’s existing support infrastructure for entrepreneurship, its academic and research assets, and its diverse and highly educated workforce. It is also essential, however, to address critical gaps in the venture development pipeline through new strategies, resources, and programs.

To build a world-class entrepreneurial ecosystem, the region’s tactics must all contain efforts to include and reinforce opportunities for minorities, women, and veterans.

To continue the region’s successes in supporting and fostering the growth of emerging enterprises, Central New York will implement the following tactics:

- i. **Build a pipeline of new and emerging ventures** through aggressive business attraction efforts, and facilitating the transition of R&D to venture development.
- ii. **Foster student entrepreneurship** through mentorship programs and resources such as The Syracuse Student Sandbox, a 14-college student venture development initiative.
- iii. **Provide physical and virtual incubation space** that encourages the collision of ideas and new partnerships, in a setting affordable to those ventures just starting out.
- iv. **Improve access to seed and risk capital** — Access to early stage and growth capital through low-interest loan programs, loan guarantee programs, non-dilutive grant sources, angel investment funds, and introductions to equity/debt providers.
- v. **Provide commercialization assistance resources** — Access to specialized technology commercialization funding, including scaling up and replicating regional programs such as:
 - Grants for Growth (NYS-supported fund administered through CenterState CEO to support academic-industry collaboration to fast-track commercialization of new technologies)
 - CAP Grants (NYS-supported fund jointly administered through CenterState CEO and the Syracuse CoE to advance research, development/deployment of clean energy technologies)
- vi. **Build mentor networks** by matching entrepreneurs with mentors, coaches, subject matter experts, and entrepreneurs-in-residence.

- vii. **Deliver robust entrepreneurial programming and comprehensive acceleration services** through the development of customized incubation/acceleration assistance plans that include venture formation, business plan development, path to market, technology roadmap, business model and funding strategy, procurement, contracting, and market access assistance. Also, deliver entrepreneurial training to develop skill sets and financial literacy to better manage startup and growth, as well as export development training to reach new markets.
- viii. **Connect entrepreneurs with market leaders to beta-test new products and technologies** — Utilize networking opportunities through projects like Tech Meetup, special events, workshops and conferences.
- ix. **Establish a Bridge NY Program** — Build a pipeline of deal-ready companies by industry and facilitate connections with investors in New York City.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Cortland Business Innovation Center (Cortland County)** — Partnering with SUNY Cortland, the Cortland Downtown Partnership (CDP) will establish entrepreneurial coursework, adapted from Syracuse University, to work in concert with incubation space in downtown Cortland *for the development of start up businesses*.
Total Cost: \$800,000
Jobs: 1 new / 66 potential
Amount Recommended: \$500,000

b. Support Small and Medium Businesses

Over the past decade, the region has worked to develop an ecosystem of support to meet the needs of the region's innovators and small businesses. As these businesses are among our greatest job generators, we must continue the prioritization of small business, innovation, and entrepreneurship within the region.

In support of the small and medium sized businesses that form the backbone of economic growth in the region, Central New York will implement the following **tactics**:

- i. **Provide executive education opportunities** — Continue to host the SBA e200 program, an executive education program to accelerate the growth of small and medium size businesses

- ii. **Provide technical assistance for scale-up**, including support identifying supply chains, channels to market, export opportunities, and initiate a regional “early adopters program” to help speed products to market. Build a regional resource website to allow small and medium sized enterprises to access assistance programs.
- iii. **Provide mentoring services** through a regional network of peer-executives and professional service providers (CenterState CEO Ventures)
- iv. **Strengthen the coordination of regional support organizations** — Coordinate outreach and referrals through a tightly organized network of regional support organizations—CenterState CEO, MACNY, CNYTDO, SBDC's through “The Innovation Roundtable.”
- v. **Help companies access funding** through SBA Certified Community Development Corporations (CDCs) such as the New York Business Development Corporation, Greater Syracuse Business Development Corporation, and Operation Oswego County, Inc., and other sources of alternative low-cost capital (e.g., funding available through local revolving loan fund programs administered by local economic development corporations and local IDAs).

c. Encourage Continuous Process Improvement

The development of new products and services is critical to the success of businesses in a rapidly evolving global economy and the region will encourage private investment in research and development; improve technology commercialization among its educational and research institutions; and create a complete ecosystem of mentors, business services, and risk capital to enable innovation. Moreover, continuous improvement is necessary for both manufacturing and service industries to remain cost-competitive and skills-competitive.

To encourage continued modernization and process improvement of the region's manufacturing enterprises, Central New York will implement the following **tactics**:

- i. **Development of Six Sigma and ISO certification and training programs**
- ii. **Encourage our regions manufacturing enterprises to adopt process improvement strategies**
- iii. **Establish a continuous process improvement recognition program**
- iv. **Development of regional continuous process improvement metrics**

❖ **Strategy: Prioritize Investments in Research, Innovation, and Commercialization**

In 2011, Central New York has more than \$144 million invested in R&D at the region's academic institutions, with an increasing number of new ventures being created as spin-offs through the downsizing of large regional businesses in core sectors. However as referenced in Section 3, we are working to strengthen connections between R&D and commercialization. The result is a developing pipeline of new ventures that offer high growth-return potential, but lack the necessary infrastructure, risk capital and support services to enable them to remain and grow in upstate New York.

To significantly impact the region's commitment and investment in research and development activities, Central New York will implement the following **tactics**:

- i. **Grow the region's research capacity —**
Align existing and future research with the region's industry priorities
- ii. **Create a stable technology commercialization environment —**
Capitalize on the region's assets to create unique pathways of technology commercialization from product conception, through testing, to production.
- iii. **Support and bolster entrepreneurial programs** to engage and promote participation by both the university and industry population.
- iv. **Leverage university incubators** such as the SyracuseCoE and CNY Biotechnology Research Center to further apply research and engagement with industry.
- v. **Support interdisciplinary consortiums that create partnerships between academia and industry**, such as the Syracuse Biomaterials Institute, that increases the probability of enhanced research, development, and commercialization.
- vi. **Develop and embrace new models**, such as Blue Highway, that "speed-up" and facilitate technology transfer between academia and industry.

❖ **Capture a Greater Share of the Global Market**

As discussed in previous sections, the United States primarily relies on domestic spending to fuel its economic growth. In the past century, as domestic markets have been the leaders of global growth, this was a sound and successful strategy. However, as markets have become increasingly global, the fastest growing areas of demand are no longer centered in the United States but span emerging markets in South America, the Middle East, and Asia. At the federal level, the National Export Initiative was recently established to double the country's export activity in five years. Further, the Brookings Institution has established the Metropolitan Export Initiative, described in



Courtesy of CenterState CEO

Section 3, in which the Central New York Region has been selected to participate.

With the nation getting more serious about the opportunities present by connecting to the global marketplace, Central New York is in a unique position to capitalize on its existing assets and leverage unique partnerships. To do this, the region must prioritize the value of exporting and foreign investment in local companies.

a. **Improve the Region's Export Performance to Generate New Net Wealth**

Sections 2 and 3 of this strategic plan clearly identify the region's current performance in exporting. Exports represent roughly 10 percent of the region's total gross metro product and research has shown that though Central New York has many assets on which to build, it is relatively unsophisticated in its overall exporting experience.

To have significant impact on this critical component of the region's future growth strategy, Central New York will implement the following **tactics**:

- i. **Develop detailed market information —**
The production of country specific reports to assist in easing entry to market for target, high growth industry clusters
- ii. **Create export mentoring network —** Using existing high export companies to support the export growth of small and medium sized enterprises
- iii. **Promote the prioritization of export growth among C-level executives —** Institute high altitude B2B leadership talks with nationally recognized export leaders. Establish a global business leadership development program to support the salary and training of a designated export expert in companies targeted for export growth. Produce a monthly/quarterly executive level monthly research and market report.

- iv. **Streamline target country entry for region's top exports** — Facilitate industry collaborations, partnerships, and new enterprises to assist the region's top exporters in entering new growth markets.
- v. **Develop resources to fund export-related initiatives** — Support the soft costs associated with new market entry (legal, licensing, and regulatory).
- vi. **Streamline existing export assistance programs** — Create a one stop shop for regional export assistance
- vii. **Create new export awareness programs** — Develop a public relations efforts to communicate export opportunities and available services.
- viii. **Deliver export related programming** — Utilize partner networks and events to build export-centric programming in to business/ economic development messaging.

b. Secure Foreign Direct Investment in Central New York

Though increasing exporting activity is commonly seen as the most productive way to capture a greater share of the global market, attracting and securing foreign direct investment should not be overlooked as a critical component of achieving success in this strategy.

To capitalize on recent successes (like Saab Sensis, Bitzer Scroll, and Marquardt Switches) to attract foreign direct investment and continue its steady growth in the region, Central New York will implement the following tactics:

- i. **Build a pipeline of target business sectors** — Identify the target business sectors that could benefit from and align with CNY's unique assets.
- ii. **Use existing foreign owned companies to foster new connections** — Utilize successful foreign owned-companies to provide introductions to peer businesses in their home country. Also, partner with NYS on their State Trade and Export Promotion (STEP) Grant.
- iii. **Strengthen the region's business attraction programs**

❖ **Strategy: Build a 21st Century Infrastructure**

Roads, bridges, airports, rail lines, and ports provide the connective physical infrastructure that drives commerce and the movement of people. Virtual infrastructure, like broadband, provides the connectivity necessary to facilitate the quick movement of ideas and information. Construction must focus on the virtual and physical infrastructure assets that make jobs more accessibly, make the flow of information and ideas more efficient, and make the movement of goods more sustainable, low-cost, and effective.

To truly modernize and lay the foundation for an infrastructure meeting the needs of people and businesses in the 21st century, Central New York will implement the following tactics:

- i. **Invest strategically in roads, ports, air and rail** — The region must maintain and sustainably develop the region's transportation infrastructure, especially in alignment with the state's Public Infrastructure Priority Act. In the future, consideration must be given to unique opportunities, such as an inland rail port in Syracuse, should the projects move closer to shovel readiness. Further, regional economic development efforts must focus on transformational regional infrastructure projects like region wide waterfront revitalization and the I-81 Viaduct project in downtown Syracuse.
- ii. **Expand broadband connectivity to underserved areas**
- iii. **Mitigate impact of correctional facility closing**— Invest in redevelopment opportunities of closed correctional facilities, like Camp Georgetown, that will create new jobs and new uses for abandoned spaces. Also, prioritize projects that offset the impact that correctional facility closings have had on communities, such as the renovation of the Technology Park and other adaptive reuse projects that have been developed to reduce the impact of the closure of the Harriet Tubman Residential Facility.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Port of Oswego East Side Connector (Oswego County)** — The project would upgrade the current rail line to heavy standards (current rail is stamped 1892, and is only 80 lb. rail), and also embed the line in a roadway section, thus allowing the movement of product between the Port's East terminal and a remote 15-acre site owned by the Port Authority. The project would also provide site work and installation of security measures as mandated by the Department of Homeland Security for the 15 acres.
Costs: \$5 million
Jobs: 6 new / 8 retained
Amount Recommended: \$1.25 million
- **Bestdeck Rail Siding Project (Cortland County)** — The Cortland County Industrial Development Agency, Bestdeck, and the NY Susquehanna and Western Railway Corporation propose constructing a new rail siding to accommodate a manufacturing investment by Bestdeck in its Preble facilities to complement efforts to sell or lease a vacant but modern 60,000-square-foot manufacturing facility nearby and to enhance effort to develop other nearby industrial parcels at the north end of Cortland County. The funds would offset rail construction costs, engineering, and design.
Costs: \$850,000
Jobs: 5 new / 60 retained
Amount Recommended: \$350,000

❖ **Strategy: Maximize Human Capital**

Central New York's highly educated workforce and unique concentration of high-quality higher-education, research and development expertise forms a foundation for investments in today's innovative, knowledge-based, and global economy. In order to improve our global competitiveness, the region must continue to maximize human capital, improve alignment between workforce supply and employer demand, create and support apprenticeship programs, and attract and retain students and young professionals.

a. **Improve Alignment of Workforce Supply and Employer Demand**

Pools of workers and jobs/firms mutually attract each other. Workforce alignment efforts must train, develop, and educate workers based on the demand of firms in the region while also attracting and growing firms that match the region's strong occupational clusters.

To strengthen the linkages and alignment between

the region's workforce and available jobs, Central New York will implement the following **tactics**:

- i. **Scale and replicate the "Green Train" model** to provide skilled training and job readiness skills to workers in high demand and growing industry sectors.
 - ii. **Fund talent alignment programs** — Use the business and industry council, discussed earlier in this section, to investigate talent alignment programming with the possible creation of a Talent Investment Fund to focus on developing talent and jobs.
 - iii. **Increase utilization of stackable industry recognized credentials**
 - iv. **Expand the use of "credit for experience" programming** — Support programming that translates veterans' military training and experience into credit toward achieving in demand certifications, thus "fast-tracking" returning veterans into new careers.
- b. **Create and Support Apprenticeship Programs**
 Our local unions' apprenticeship training programs are one significant method of developing a skilled, diverse workforce for regional construction projects.
 To continue the legacy of the region's skilled labor force through the passing of knowledge and experience in apprenticeship programs, Central New York will implement the following **tactics**:
- i. **Ensure critical nexus between labor and Pre-K-12** — Facilitate and support relationships between regional labor and high schools, specifically with guidance counselors and career counselors to promote apprenticeship programs.
- c. **Attract and Retain Students and Young Professionals**
 Since the development of previous regional economic development strategies, the region has recognized the critical importance of attracting and retaining young talent in the region. Robust young talent in a region increases innovation and leads ultimately towards stronger regional competitiveness in the global market.
 To significantly increase the retention of students and young professionals in the region, Central New York will implement the following **tactics**:
- i. **Link young talent retention with entrepreneurial support programs** — Build upon the successes and scale up student entrepreneurial support programs like the Student Sandbox at the Tech Garden.
 - ii. **Provide college graduate retention programming** — Regional universities have already embraced the vision of 'scholarship in action' pursued by Syracuse University. To capitalize on the excellent programming that is already underway to provide internship opportunities to students (Project Ion), professional fellowships for new graduates



Courtesy of Syracuse University

Expansion of
the OnPoint
for College
program
would increase
opportunities
for at-risk
young adults.

(Syracuse University's Engagement Fellows) and to promote volunteerism (COVE program at Colgate University), new programming is needed to assist students that want to continue their community involvement to stay in the region.

iii. **Support region's young professional groups**

— Groups like 40 Below, 40 Below Cortland, Ignite CNY, and Oswego County Young Professionals provide the most direct link for young individuals in the region to get involved in community development and civic engagement activities. These groups are consistently developing new projects and programming that can be further strengthened by funding and support from dedicated state resources.

iv. **Attract firms that want our talent** — Identify top firms that are targeting and recruiting the region's young talent and implement an attraction strategy on them.

d. **Prioritize Pre-K-20 Education — Accessibility, Quality, and Attainment**

Development of our human capital is perhaps the most crucial component of our regional economic development strategy. It is inextricably tied to the health of our urban cores and our prosperity, as well as our success in any of our other strategies and goals. Closing the education and economic opportunity gap impacting a growing percentage of our region's population is essential to our long-term economic

stability and growth. The Say Yes to Education partnership with the Syracuse City School District is working to coalesce the region's social resources to narrow that gap and we must continue to drive progress by developing proactive, multi-tiered initiatives increasing work readiness amongst our unemployed and underemployed.

To continue and scale up the innovative activities already underway in the Pre-K-20 education system in the region, Central New York proposes the following **tactics:**

i. **Further Expand "work ready" credentials**

— Increase the utilization of certificate and credential programs as an additional graduation outcome and develop a process to identify the region as "work ready" using the certificate. Build on existing efforts to use the National Career Readiness Certificate and the National Work Readiness Credential in secondary and post-secondary education/training, upon which career specific technical certifications such as the Manufacturing Skills Certification System are "stacked."

ii. **Provide multidimensional career and academic support** to middle, high school, and first-time college students to focus career interests and increase completion rates

iii. **Support and scale programs for at risk young adults** — Expand the On Point

- for Jobs program as part of the OnPoint for College program to leverage existing internship programs and opportunities for at risk young adults. Bring in additional partners to the “BNY Mellon” partnership with Le Moyne College.
- iv. **Establish a Regional Institute for Business and Education Integration** to assess regional workforce gaps and business needs, particularly of small business, and coordinate regional workforce programming to address those needs. The Institute will work with primary and secondary education institutions to align programming, training programs, and curriculum with regional workforce shortages and skills gaps in our strategic industry clusters.

Resolving Critical Issues

The strategies outlined above will begin to address issues associated with our goal of improving competitiveness in, and connections to, the regional, national, and global economies, including:

- Slow regional growth in exports as compared to other G8 countries
- Gaps in venture/seed capital, commercialization assistance and tech transfer
- Misalignment of workforce supply and demand

The strategies identified aim to open up more exporting opportunities to businesses within the region, providing them with resources to broaden their exporting potential. The development of the Metropolitan Export Initiative for the region, in partnership with the Brookings Institution, will provide a specific and detailed export growth strategy for the region moving forward.

Additionally, these strategies set the groundwork for new ways to provide seed capital to our region’s startups to demonstrate to entrepreneurs outside the region our commitment to this segment, and to attract co-investors from outside region. They also lead to strengthened collaborations between industry and academia/research institutions to accelerate tech transfer and commercialization.

With its existing partnerships and vast resources available to small business and entrepreneurs, its strong workforce, efforts underway to expand the export potential of the region’s businesses, and effective strategies for the future, the region is on solid footing to tackle these issues.



Revitalize Our Region’s Urban Cores, Main Streets, and Neighborhoods

Investing in our targeted industry clusters to make ourselves more innovative, competitive, and connected to the global marketplace are critical priorities for Central New York in building a strategic plan. Yet at its core, the ultimate goal for regional economic development is to provide greater opportunity for individuals, families, and communities to prosper. Furthermore, the human and social capital found in our found in our municipal centers is the most important asset for being globally competitive. To truly be a comprehensive strategic plan that lays of foundation for a sustainable and prosperous future, CNY REDC recognizes that strong regional economies are built around strong communities.

Central New York’s cities have always been the historic hubs where people and ideas converge to create commerce. But given high concentrations of poverty, crumbling infrastructure, old industrial brownfields, and untapped waterfront potential, **our third priority strategic goal is revitalizing our region’s urban cores, main streets, and neighborhoods.** Through mutually beneficial partnerships between business, government, and nonprofit institutions, our region will reinvigorate the region’s municipal centers, expand access to education and employment, and create business enterprises that reinvest into our communities.

CNY’s anchor institutions—the universities, colleges, community foundations and major employers whose functions and facilities are firmly planted and interconnected within our municipalities—serve as the backbone to those partnerships. Their efforts are repurposing existing physical assets, rethinking approaches to neighborhood planning, and preparing citizens for quality education and employment opportunities. They also attract private investment to the region’s urban centers as companies seek to feed off the human and social capital they generate. In Syracuse, companies like King+King Architects and O’Brien & Gere Engineers have moved into Syracuse’s downtown, fueled by investments made by our anchor institutions and attracting other businesses, residents, and new homeowners.

All these opportunities have been at the forefront of creating a strategic plan that promotes greater density in development so that our residents have vibrant neighborhoods to live, work, play—and ultimately stay. Rather than destroy our older buildings, our strategy demands to repurpose them with mixed-use investments that preserve our heritage and unique architectural character. It challenges conventional barriers to education and professional attainment by reaching disadvantaged communities to teach them the skills to succeed. Similarly, it embraces diversity as a cornerstone to our culture, and we will level the playing field for minority and women-owned enterprises in making our investments. Lastly, our strategy turns away years of industrial decay to restore brownfields, clean our parks and public spaces, and harness the recreational and economic opportunities that waterfronts have to communities.

As such, to truly achieve revitalization in our urban and municipal cores the region will pursue the following actions:

❖ **Strategy: Rethink—Leverage the Region’s Exemplary Anchor Institutions in Education, Health and Medicine, and Arts and Culture**

Increasingly Central New York’s education, health and medicine, and arts and culture institutions have become pillars of economic growth, community revitalization, neighborhood reinvestment, and the innovative showcase of new and sustainable products. These institutions, many of which are the region’s largest employers, have recognized and capitalized on the unique opportunity to connect their knowledge, resources, and mission directly with the community and neighborhoods in which they are located. As discussed in Sections 2 and 3, institutions like Syracuse University, St. Joseph’s Hospital Health Center, and SUNY Upstate, among others, have made the revitalization of and involvement in community reinvestment an institution-wide priority. The region must continue to support and encourage the extension of the critical role that these institutions have in our overall regional prosperity. Not only do their efforts results an tangible physical improvement to our neighborhoods, but these institutions play a critical role in promoting Central New York to national and international markets through the intellectual and cultural activities they generate and the benchmark services they offer.

Capitalizing on the immense impact that anchor institution investment has made in the region’s urban cores, the Central New York region will implement the following **tactics**:

- i. **Support anchor institution investment —** Scale and replicate anchor institution efforts to revitalize neighborhoods through mixed-use investment as demonstrated by the Near West Side Initiative, the South Side Community Coalition, and North Side Urban Partnership of Syracuse.
- ii. **Promote homeownership in urban neighborhoods —** Employ a multi-faceted housing strategy that adds home ownership and green homes in our urban neighborhoods.
- iii. **Grow and support regional arts and cultural initiatives —** Create, invest, and market cultural programs to increase tourism, enhance education, and access national audiences.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Prospect Place Project (Onondaga County) —** This project is significant for the revitalization of the City of Syracuse’s North Side. This project involves the development of a mixed-use retail center, apartments, and a park adjacent to St. Joseph’s Hospital Health Center. The development on the three-parcel site will include a fresh (largely local) food market and retail center and apartment housing intended for hospital employees.
Total project cost: \$1.12 million
Jobs: 13 new / 30 construction
Amount Recommended: \$320,000
- **The Neighborhood Food and Health Center/ NoJaim’s Supermarket (Onondaga County) —** This project is designed to be a model for urban agriculture —using a collaboration of private business, a regional health institution, and a major university to address food deserts in an urban center and induce health and wellness education and best practices within one of the nation’s poorest census tracts.
Total Project Costs: \$2.5 million
Jobs: 40 new / 20 construction
Amount Recommended: \$1 million
- **South Side Food Cooperative (Onondaga County) —** The South Side Food Cooperative was established by the South Side Community Coalition, and plans to build a new facility in the South Salina Trade Area to bring fresh, healthy, fairly-priced foods and household products to residents of the Southside neighborhood, while also promoting better health, community nutrition, cooperative ownership and sustainable economic growth on the South Side.
Total Project Costs: \$804,000
Jobs: 4 new / 2 seasonal / 50 construction
Amount Recommended: \$394,000

❖ **Strategy: Repurpose Existing Infrastructure to Recreate Density in Development and Capitalize on Regional Assets**

Sustaining our economic future also requires a sustainability action plan toward our physical assets and spaces. Our vacant historical structures offer ample opportunities to live and work in environments of unique cultural character, as have been demonstrated by the benchmark transformations in cities nationally, and more locally in Syracuse's Armory Square. Similarly, our old industrial sites must be transferred from abandoned, contaminated eyesores into shovel-ready work sites and green public spaces for mixed-use development. Our urban centers must function efficiently and effectively in managing the flow of human and social capital, to not only provide the convenience of living, working and recreation we all demand, but to also attract business, alleviate the high costs of public infrastructure, and reduce daily commute times. Where people live, work, travel, and shop are all critical factors in making residential and commercial investments, and planned development promoting density resolves numerous challenges faced by both the private and public sectors.

To prioritize the investment in projects that encourage density, the Central New York region will implement the following **tactics**:

- i. **Prioritize adaptive re-use and historic rehabilitation** — Support the successful continuation of the historic rehabilitation tax credit.
- ii. **Specifically target brownfield revitalization and cleanup efforts** on areas with high potential for redevelopment, such as the Syracuse Inner Harbor and Kennedy Square.
- iii. **Support industrial re-use planning and development**
- iv. **Maintain residential redevelopment growth in Central Business Districts**
- v. **Employ Transit Oriented Development Strategies** — Link planned transportation investment with surrounding private development through transit-oriented strategies.
- vi. **Encourage mixed-use development in revitalization projects** — Support development of parking infrastructure that includes first floor commercial uses in central business districts. Also support mixed-use and mixed-income projects such as the Orchard Street renewal project in Auburn and the Seaway lofts in Oswego.
- vii. **Collectively address anchor institution transportation needs** — Establish a transportation system for the city's anchor institutions to minimize the need for employee parking structures. Redevelop parking assets in the urban core like the Sibley's garage.
- viii. **Promote regional waterfront revitalization** — Be they along lakes or rivers, the region contains many underutilized waterfront spaces that, when coupled with neighborhood, brownfield, or urban revitalization strategies can create appealing and valuable projects. Existing assets include the Syracuse Inner Harbor and the Oswego Riverfront.
- ix. **Attract target industries to newly revitalized spaces** — Encourage businesses, particularly professional, technical, and creative firms to locate in the city centers throughout the region.

To initially address these tactics, Central New York strongly recommends the support of the following **projects** in this current funding cycle:

- **Syracuse Inner Harbor Redevelopment (Onondaga County)** — The City of Syracuse is seeking to redevelop 32 acres of waterfront property for housing, recreational, and commercial opportunities, and visitor attractions for local residents and the surrounding region. The Inner Harbor connects the City of Syracuse, through the New York State Canal System, to communities across New York State and throughout the eastern seaboard. Funds will be used to support the remediation of environmentally contaminated land, as well as infrastructure improvements to support residential, commercial, and recreational development.
Total project cost: \$200 million
Jobs: 500 potential
Amount Recommended: \$3 million
- **Merchants Commons (Onondaga County)** — This project involves the adaptive reuse and reclamation of 152,000 square feet of vacant space in the heart of Syracuse's downtown urban core for a mixed-use facility that will include 25,450 square feet of commercial space, 66 residential apartments, and a 65-car parking garage.
Total project cost: \$12.5 million
Jobs: 65 new / 130 construction
Amount Recommended: \$837,500



Refugee training

Courtesy of CenterState CEO

❖ **Strategy: Retrain to Develop the Workforce of Tomorrow**

The ultimate measure of economic development is how much we grow our businesses, personal incomes, number of residencies, and the opportunities to live fulfilling lives at home and at work. Education attainment, having the skill set to pursue employment opportunities, and access to resources needed to succeed are critical factors and are equally crucial in keeping families in our urban centers. We have an enormous opportunity to pursue the talent dividend by empowering individuals in our urban neighborhoods with the tools necessary to succeed in a profession. Additionally, our region will continue to welcome refugees and immigrants into our community, and provide them with the educational resources to become productive members of our community. As we invest in our target industry clusters, and demand a greater level of innovation and entrepreneurship, it is within our interests to provide home-grown talent to fuel our economy and build healthy, sustainable communities.

To prioritize develop the workforce of tomorrow, the Central New York region will implement the following tactics:

- i. **Embrace and support refugee settlement and immigrant population retraining** — Create programs that provide the direct pipeline for employment and training needed for our newest citizens and neighbors.
- ii. **Improve Pre-K-20 educational attainment in urban neighborhoods** — Scale the Say Yes to Education collaborations across the region, and leverage additional partnerships among non-profits, public schools, local governments, and higher educational institutions to provide critical support to increase graduation rates and college

admittance, and transform urban education into a desirable resource for families living in our core cities.

- iii. **Align urban workforce training programs with needs of growing industry sectors**
- iv. **Facilitate small business and diversity supplier utilization** — Create a CNY Supplier Diversity Program with a coordinated strategy, shared resources and emphasis on capacity building to support the efforts of anchor institutions, large businesses and industry clusters to use the regional workforce and integrate our region's small businesses and small, diverse (veteran, service disabled veteran, women and minority owned) businesses.

Resolving Critical Issues

The strategies outlined above will play a key role in addressing issues associated with our goal of revitalizing our region's urban cores, main streets, and neighborhoods.

Investments by anchor institutions will be leveraged, scaled, and replicated where possible in order to revitalize urban cores, support neighborhoods, and meet workforce needs.

And while the cost to update and replace decaying infrastructure can, in many cases, be prohibitive, repurposing of existing infrastructure through adaptive reuse, historic rehabilitation and planning will be employed to recreate density and best utilize existing infrastructure assets.

Specific Pre-K-12 attainment and workforce alignment tactics and programs will help address issues related to high concentrations of poverty that increase costs on local government, reduce educational attainment, and impede development of a sustained and talented workforce.

4.4 ALIGNING PROJECTS TO STRENGTHEN TARGETED INDUSTRIES, IMPROVE GLOBAL CONNECTIONS AND COMPETITIVENESS, AND REVITALIZE OUR REGION'S MUNICIPAL AND URBAN CORES

The projects listed in this section are priorities for our region based on their individual merits. However, central to our strategic planning and implementation of our initiatives is the ability to align investments in ways that generate greater outcomes for the public good. We are not simply investing in clusters, or creating opportunities to access global markets, or rethinking our neighborhood planning tactics. It is vital for the stability of our region and the sustainability of our future, to ensure that our public-private partnerships leverage each other. One such example can be seen in the City of Syracuse, where a number of investments are transforming a neighborhood at the base of University Hill, and creating opportunities across the region.

CNY Ennovation Gateway: Entrepreneurship & Innovations Transforming the Central New York Regional Economy

Central New York has earned international recognition in recent years for developing extensive collaborations in entrepreneurship and innovations that engage hundreds of firms and institutions across multiple business sectors, including clean energy and environmental systems, health and biomedical sciences, communications and information technologies, and advanced manufacturing. These collaborations are all converging on an urban scale that is transforming both industry and the community: *the CNY Ennovation Gateway*.

The CNY Ennovation Gateway is strategically located in an urban neighborhood at the intersection of Interstates 81 and 690 that is beginning to experience rebirth with nearly \$120 million in catalytic public-private projects, including the Syracuse Center of Excellence in Environmental and Energy Systems (SyracuseCoE), the Central New York Biotechnology Research Center (CNY BRC), and the Connective Corridor. Developments include:

- The iconic \$41-million headquarters of SyracuseCoE, which has earned international recognition and revitalized a historic brownfield site along the original Erie Canal. SyracuseCoE is a site for collaborations in clean energy and environmental systems that engage more than 200 companies and institutions from across CNY and around the world.
- The first phase of the CNY BRC is a \$21-million facility that is currently under construction, including exterior shell, core interiors, and partial lab fit-out. CNY BRC will house university-industry partnerships working to discover, develop and deploy innovative products for the biological and medical marketplaces.
- The Connective Corridor, the \$34-million first phase of which is nearing completion and will connect multiple institutions on University Hill with the business district along East Genesee Street and in downtown Syracuse.
- The \$18 million redevelopment of a vacant armory on East Genesee Street into more than 130 apartments for a growing population of professionals and students.
- The \$5 million renovation of the Crowne Plaza hotel and convention center.

The area that encompasses the CNY Ennovation Gateway is an urban neighborhood at the pivot point of the Connective Corridor. Physically, it is at the juncture of University Hill and Downtown Syracuse, highly visible and easily accessible from Interstates 81 and 690. Its redevelopment is bringing much needed activity to an area that just a few years ago was largely abandoned and avoided. More substantively, it is building new research and development facilities and creating connections to industry to empower innovation and entrepreneurship in an emerging marketplace for bioscience and clean energy and environmental systems from throughout upstate New York.

Bringing these assets more closely together to create a more cohesive space for the further integration of the neighborhood's R&D operations and mixed-use investment is a priority for Central New York. Through a series of projects and initiatives outlined in this strategic plan, the region is taking steps toward designing and building a regional campus for innovation and entrepreneurship. And it's doing it in a way that hits on three overarching economic goals for the community, and thereby stands to make a transformational impact not just in Central New York, but across New York State and nationally. These projects and initiatives include:


- **NYE-RIC Advanced Building Consortium Research and Development Labs:** An essential step in the development of the New York Energy Regional Innovation Cluster (NYE-RIC), a pioneering consortium that will create tens of thousands of good, clean technology jobs across New York State.
- **Completion of CNY Biotechnology Research Center:** Expected to open in spring 2012, the build-out will house new lab facilities and biotech companies.
- **Demolition and abatement project in Kennedy Square:** This vacant, blighted public housing project encompassing 14 prominent acres will be completely demolished and redeveloped to transform nine acres into "shovel-ready" private-sector investment.
- **Biomass Pilot-scale Demonstration Lab:** A "pilot-scale" facility that will develop innovative, cost-effective fuels and sustainable bi-products from wood and other natural materials.
- **Built Health Care Environments Ennovation Center:** A new facility at the SyracuseCoE will coordinate improvements to built health care environments in the region via connections to targeted research and assist with the implementation of green and clean technology within health care settings.


To coalesce these initiatives, the CNY REDC calls upon the institutional partners to develop the CNY Ennovation Gateway Campus Development Plan: A comprehensive urban neighborhood plan to guide the development, remediation, and/or preservation of the neighborhood's streets, multimodal transportation facilities, green spaces, and other public areas in relationship to the institutional investment and housing initiatives in the area.


Collectively, these projects and the creation of the CNY Ennovation Gateway truly represent a transformational opportunity for the economy of Central New York. It integrates CNY's core industry clusters in clean technology, the biosciences, advanced manufacturing sector to leverage greater outcomes in economic production. It harnesses the creative energy and internationally renowned research from the region's top universities to drive innovation and entrepreneurship, further enhancing the region's economic diversity and laying a path for sustainable economic growth into the future. And through its private-public partnerships and collaborative efforts, it is revitalizing a blighted neighborhood in our center city to create a vibrant gateway into Syracuse and Central New York for those traveling on Interstates 81 and 690.

The following is a list of the **CENTRAL NEW YORK REGIONAL ECONOMIC DEVELOPMENT COUNCIL'S PRIORITY PROJECTS**, which represent part of our immediate and long-term transformational regional initiatives.

Project Name	Total Capital Investment	Total Payroll (5 years)	Total Project Expenses	Capital Grant Recommended	Excelsior Credits Recommended	ROI	New FT Jobs
Cayuga County							
Cayuga Ingredients, LLC - Milk Processing Plant	\$88,000,000	\$16,456,667.00	\$104,456,667	\$1,500,000	\$2,500,000.00	26.11	52
Currier Plastics - Plant expansion	\$7,000,000	\$13,996,000.00	\$20,996,000	\$750,000	\$1,000,000.00	12.00	40
Finger Lakes Musical Theatre Festival	\$12,600,000	\$10,110,154.00	\$22,710,154	\$751,450		30.22	19
The Abbot House	\$9,598,930	\$18,408,936.00	\$28,007,866	\$250,000		112.03	35
Cortland County							
BestDeck	\$850,000	\$562,500.00	\$1,412,500	\$350,000		4.04	5
Cortland Business Innovation Center	\$800,000	\$100,000.00	\$900,000	\$500,000		1.80	1
Cortland Plastics	\$680,000	\$1,164,800.00	\$1,844,800	\$125,000		14.76	10
Madison County							
Aquaculture Expansion at Morrisville State College	\$800,000	\$1,400,000.00	\$2,200,000	\$150,000		14.67	10
NY Beef Farmers' Cooperative, Inc.	\$2,725,000	\$3,187,500.00	\$5,912,500	\$200,000		29.56	10
Owera Vineyards	\$3,500,000	\$1,750,000.00	\$5,250,000	\$994,000		5.28	6
Onondaga County							
NYE-RIC advanced building Consortium New R&D labs COE	\$8,700,000	\$14,550,000	\$23,250,000	\$3,000,000		7.75	40
Clay Business Park	\$6,200,000		\$6,200,000	\$2,000,000		3.10	
Completion of the CNY Biotechnology Research Center	\$24,700,000	\$21,400,000.00	\$46,100,000	\$1,950,000		23.64	200
Cooper Crouse	\$2,000,000	\$19,430,000.00	\$21,430,000		\$500,000.00	42.86	9
C-Speed Demo of Air Surveillance Radar System; Expansion/Relocation Liverpool Manufacturing Facility	\$3,450,000	\$25,300,000.00	\$28,750,000	\$250,000	\$6,000,000.00	4.60	225
Dupli Envelopes & Graphic Corporation	\$700,000	\$2,025,000.00	\$2,725,000	\$245,000	\$250,000.00	5.51	10
Ephesus	\$8,990,000	\$7,795,000.00	\$16,785,000	\$500,000		33.57	24
Kennedy Square Demo/abate bioscience park Kennedy Sq.	\$229,000,000	\$79,250,000.00	\$308,250,000	\$3,600,000		85.63	700
Merchants Commons	\$12,500,000	\$16,250,000.00	\$28,750,000	\$837,500		34.33	65
Prospect Place	\$1,120,000	\$1,590,000.00	\$2,710,000	\$320,000		8.47	13
South Side COOP	\$804,000	\$755,550.00	\$1,559,550	\$394,000		3.96	4
St Josephs Hospital Health Center	\$138,650,000	\$24,754,000.00	\$163,404,000	\$2,500,000		65.36	147
Syracuse Inner Harbor Redevelopment	\$200,000,000		\$200,000,000	\$3,000,000		66.67	
The Neighborhood Food and Health Center NoJaim	\$2,500,000	\$3,280,000.00	\$5,780,000	\$1,000,000		5.78	40
United Health	\$1,950,000	\$50,459,530.00	\$52,409,530	\$250,000	\$3,000,000.00	16.13	150
Oswego County							
Champlain Valley Specialty -- Food Manufacturing	\$4,500,000	\$6,110,200.00	\$10,610,200		\$800,000.00	13.26	60
Fulton Companies: Growing Manufacturing Employment through Commercializing Low Emissions R&D Projects	\$2,700,000	\$6,922,092.00	\$9,622,092		\$900,000.00	10.69	25
Healthway Home Products Air Purification Equipment Manufacturing	\$1,400,000	\$4,696,000.00	\$6,096,000	\$100,000		60.96	27
Huhtamaki	\$4,000,000	\$38,852,000.00	\$42,852,000		\$1,000,000.00	42.85	25
Port of Oswego East Side Connector	\$5,000,000	\$2,766,400.00	\$7,766,400	\$1,250,000		6.21	6
Total	\$785,417,930	\$393,322,329	\$1,178,740,259	\$26,766,950	\$15,950,000	27.85	1958

*1= Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets 

2= Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies 

3= Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods 

4.5 CENTRAL NEW YORK REGIONAL POLICY PORTFOLIO

As discussed previously, as part of a serious and deliberate attempt to support regions in stimulating and fostering prosperity in their local economies, New York must institute a robust series of policy improvements. First and foremost, the state has a unique opportunity to make immediate policy improvements by facilitating quick implementation of the first round of funded projects. To improve the speed of priority project implementation and realize job creation benefits as

soon as possible, the council recommends the following:

- **Construction Procurement Process** — Suspend laws and regulations, as was done in several areas of the state during the floods in September, so that projects can have more condensed timelines. Further, the use of alternative delivery methods, such as Design Build, should be encouraged.
- **SEQRA Improvements** — Significantly improve the review process and allow projects from the Regional Councils to be streamlined through the process.

While these minor policy changes would directly assist the council in meeting the benchmarks of this plan of job

New Seasonal Jobs	New Construction Jobs	Retained Jobs	Potential Jobs	Goals*
	285			1, 2
		100		1, 2
63	59			1, 2, 3
	100	100		1, 3
			60	1, 2
			66	1, 2, 3
				1, 2
				1, 2
			50	1, 2
		4		1, 2
	20			1, 2, 3
	104		1000	1, 2
	80			1, 2, 3
		29		1, 2
				1, 2
				1, 2
	650			1, 2, 3
	130			1, 2, 3
	30			2, 3
2	50			1, 3
	400			1, 2, 3
			500	2, 3
	20			1, 3
		30		1, 2, 3
				1, 2, 3
		15		1, 2
				1, 2
		80		1, 2
		8		1, 2
65	1928	358	1676	

creation and the growth of wealth in the region, the council recommends a number of longer term policy changes that will facilitate future growth, reduce burdens on emerging and existing businesses and encourage innovative partnerships and collaborations to deal with community and statewide issues.

Explore Creative New Incentives and Solutions for Today's Economy

New York has long been the figurative giant of the world—a global brand. Creative and dynamic new economic policies should match our bold reputation. New tools for an ever-changing business universe that is technologically advanced, ever-wired, nimble and ever changing are needed to allow our businesses to navigate today's economic landscape.

While the CNY region continues to make great strides in strengthening the business and socio-economic supports for our various industry clusters, several roadblocks are more substantive than others in preventing the new growth our assets provide the basis for. More work and additional resources are necessary to provide industry-specific resources for start-ups and small bio businesses. Additionally, the region must determine or provide better access to funds to address lack of adequate R&D support for manufacturers.

New York State could encourage strategic “risk-promotion”—fostering or facilitating strategic risk taking for entrepreneurs and small businesses. For example, a statewide entrepreneur's health insurance program could offset some of the cost of carrying individual and/or family health insurance. The financial costs associated with leaving an existing job to start businesses can be major obstacles. Programs like these can make it easier for a prospective entrepreneur to move forward with such challenges and opportunities. Central New York and New York State are teeming with micro business enterprises and project potential. Economic incentives reshaped to embrace the operational, intellectual capital and marketing needs of high technology companies could bring significant economic activity.

A list of new approaches or programming changes that could serve our state well would include:

- Creation of a tax credit for venture capital investment in NYS based startups
- Allow for bonded public venture funding
- Creation of “first priority” purchasing status for Pride of NY labeled products for state purchasing contracts
- Creation of incentives to foster tech transfer, intellectual property, and licensing policies at all major educational institutions
- Permit the use of NYS bonding authority for improving and creating parking in city centers
- Examine feasibility of a NY Health exchange
- Provide incentives for small-scale technology companies to stay in city centers as they grow
- Provide housing incentives for core support positions (teachers, firefighters and police officers) who are relocating into targeted neighborhoods
- Encourage an investment offset policy
- Create an export-directed culture; reduce obstacles and barriers to entry for all companies
- Supply State matching funding for key federal proposals, particularly to the U.S. Economic Development Administration, to launch projects across the region that will jumpstart the innovation economy
- Consolidate existing export assistance programs to a “one stop shop”
- Create support programs for PTAC's and other specialized service providers
- Create mechanisms to leverage funding through federal agencies, national foundations and other opportunities as part of a new national “Startup”

initiative that is designed to accelerate regional innovation clusters

- Benchmark NYS against best practices in terms of investment tax credits that spur innovation and venture development
- Encourage the use of Public Private Partnerships to facilitate infrastructure improvements

Balance Taxes and Regulation Burdens

Though there have been recent notable improvements, local and statewide business environments are still uncompetitive when judged by property tax burdens, regulatory hurdles, and unwieldy, slow and difficult to navigate business processes, such as permitting, licensing, etc. Tourism, for example, is about small business in the commercial realm and the overarching themes of property tax relief and implementation of business friendly practices at the State level are applicable in this context. In addition it is necessary to strengthen local public private partnerships to support efforts such as beautification and coordinated signage.

Escalating unfunded mandates from New York State have added significant costs to the budgets of local governments and school districts throughout the region, with these costs passed on to residents in the form of increased property taxes. If state mandates continue to grow faster than the 2 percent property tax cap, local governments will have no choice but to reduce investment in infrastructure and other local governmental services.

Further, the financial impact of Medicaid costs on county and local governments is tremendous, and property taxes reflect the escalating costs of Medicaid health care spending. In Onondaga County, Medicaid costs comprise nearly 70 percent of the mandated spending and 70 percent of collected tax revenues. Seventy five percent of Medicaid costs are associated with care for high-risk populations: the chronically ill, frail elders, and medically complex cases. In the long term we have proposed the state pilot an initiative in Central New York to redesign our regional Medicaid approach to reduce Central New York health care costs.

- Expanded eligibility for the state low-income housing tax credit program
- Provide greater assistance and resources for hospitals and other care providers to meet the rapidly growing regulatory demands of a changing national health care policy
- Streamline regulatory process and improve business-NYS agency relationships
- Return the NYS unemployment insurance fund to solvency
- Reduce the costs of the workers compensation system in NYS, currently 72 percent above the national average
- Reduce energy costs, improve utility infrastructure and grid and support the Recharge NY program

Extend or Expand Productive, Viable Programs

While we have boasted some of the more substantial or attractive programs in the country in the past, our future market leaders are facing more diverse economic demands and require different models of incentive, or expanded program eligibilities and criteria. Many of the state's economic development programs have long stood without change or adaptation for a now drastically different economy and could be expanded, repurposed or altered to increase their viability and usefulness across the diverse economic landscape of New York State. In 1998, New York State developed the Qualified Emerging Technology Company tax credit program (QETC) to foster investment and growth in the small, high technology companies that the state's economy will increasingly rely upon. It is no surprise that the state is focused on these types of jobs. They are higher paying and have more indirect economic benefits than most any other sector of the economy. In 2005, the state expanded the scope and the utility of the program by developing the QETC Facilities Operations and Training Credit ("FOTC"). Specifically, the program provides a refundable tax credit for investments in facilities, research and development operations and worker training. In other words, small companies are rewarded with an actual refund check for making investments in their own growth here in New York. Unfortunately, the FOTC portion of the QETC program is slated to expire at the end of this year. It is our recommendation NYS extend and even strengthen the QETC for facilities, operations and training.

Another example of an existing program with the potential to be more effective is Tax Increment Financing. Tax increment financing is a method of allocating some of the increased taxes resulting from property redevelopment to pay the costs of public investment in that project. Using taxes generated by redevelopment to pay for itself is one of the least painful ways of financing public improvements. It is relatively painless to taxpayers because their taxes don't have to be raised. It is relatively painless to elected officials because they don't have to vote for higher taxes. The increment merely results from the normal application of existing tax rates to a tax base that is being made to grow through private investment. We propose amending the current TIF law to allow school district property taxes, with the consent of the school districts, to be included in tax increment calculations.

Lastly, in upstate New York, local IDAs have been an effective economic development program available to local governments. They often are self sufficient and the average cost per job created for projects they assist is \$1,830. The role of local IDAs in helping to create and maintain jobs in their communities is much greater than serving as a financing vehicle for projects. Typically, IDAs are the lead economic development agency and serve as the nexus between the public and private sectors on economic development activities. For these reasons, IDAs are involved in a range of activities including strategic planning, business marketing, workforce development, infrastructure deployment, business retention, industrial and business park development, small business incubator operations and project financing, to name a few.

“Leverage educational institutions with technology, commercialization, and targeted vocational training.”

—PUBLIC COMMENT, FORUM #1

IDAs are the organizations that work most closely with business customers, understand their retention and expansion needs, and are positioned to help coordinate the delivery of state, local, and federal economic development assistance to meet those needs. The statutory ability for local IDAs to finance not for profit projects should be renewed, and their ability to assist and stimulate economic development should be supported by the state.

Like the QETC, TIFs and IDAs, there are many programs we should expand, prolong, or rework to magnify their effectiveness and applicability to resolving market needs. We suggest the following specific changes to the following programs:

- Reform NYS Historic Rehabilitation Tax Credit program to permit bifurcation of State and Federal tax credit for purchasers.
- Expand the State's Mainstreet program to include affordable & market rate residential units;
- Prioritize Excelsior Tax Credit projects that locate in city centers
- Expand eligibility for the State low income housing tax credit program to include households whose incomes are at or below 125 percent of the area median income.
- Provide adequate funding for the I Love New York Marketing Campaign and increase the importance of state supported strategic tourism marketing investments
- Increase the scope of the Foreign Trade Zones
- Continue state support for critical service delivery programs such as the NYS SBDC and TRDC networks
- Continue state support for NYSTAR's SBIR Outreach Program
- Innovation NY Seed Capital Fund
- Continue and expand the NYS EAP program through Empire State Development, with distinct programs that support MWBE's, veteran-owned businesses, community-based small businesses and technology businesses; Institutionalize inclusive entrepreneurship in state-funded entrepreneurial training
- Enhance and market the New York Non Point Source Abatement & Control Grant Program

Keep Higher Education Accessible, Flexible, and Affordable

As we have identified throughout this strategic plan, building the workforce of the future is a cornerstone to our long-term success in the transformation of our economy, and higher education plays a critical role. In addition to attracting millions in funding for research and development, the region's higher

education institutions attract thousands of young, talented students who can supply the labor pool that will feed our emerging enterprises and industry concentrations. Despite being an essential asset to our region, higher education is increasingly challenged by pressures on public financial aid programs and declining high school populations through the northeast. Over the next several years, our colleges and universities will have to reach further out into the world to recruit students into Central New York, and maintain the financial aid programs necessary to support student needs. In consideration of these pressures, New York State can and should play a leading role to ensure that higher education remains an accessible, flexible and affordable option for those seeking to advance their lives—whether attending college straight out of high school, or looking to gain new skills and knowledge midway through a career.

- Continue to fund the Tuition Assistance Program (TAP) at existing levels.
- Continue to fund Aid to Certain Independent Colleges and Universities (Bundy Aid), initiated to assist private colleges who educate New York State students, at existing levels
- Continue to support public colleges at existing levels so that they may continue to deliver moderately priced programs to New York State students
- Support the Say Yes to Education Foundation and its partners' efforts to expand access to high education for our urban populations

Explore Policy Connections to Stimulate Strategic Industries

- Assist state with compliance with climate action plan. Aggressive policies can serve as market drivers for innovations that will reduce green house gas emissions.
- Create a market for renewable Energy Certificates to encourage growth of photovoltaic installations.
- Create defined plan to deploy renewable energy to relieve pressure on transmission and distribution grid.

Through tax policy and land conservation efforts, including working landscape easements, to protect and sustain the region's agribusiness industries. Additionally, though our regional workforce is widely sought after and lauded as diligent, highly skilled, and well educated, technological advancements and the increasingly global nature of the day to day marketplace for goods and services is creating a growing disconnect in workforce skill sets present and needed. Without a sustainable, well funded effort to dig deeply into the future needs of our industry clusters, the up-skilling needed to stay competitive will be unmanageable. ●

5.0 Regional Implementation Agenda

The Central New York Regional Economic Development Council is committed to implementing the strategies, projects, and transformational opportunities outlined in this strategic plan, and to remain focused and actively engaged throughout that process. To that end, the CNY REDC will undertake the following activities and action steps to manage, support, and monitor existing and emerging projects to establish a transparent system of governance over our public investments and private partnerships. Additionally, CNY REDC will continuously engage the region's residents in shaping, supporting, and enacting the regional plan, and ensure that public participation remains a cornerstone to its activities.

5.1 CNY REDC GOVERNANCE AND OVERALL IMPLEMENTATION PLAN

The 29 members of the CNY REDC (8 ex officio; 21 business, education, and not-for-profit associations) have agreed to serve the growth interests of Central New York for the next two years. It is anticipated the significant commitment of time and resources necessary for the effort expended thus far to create the five-year strategic plan will decrease, but the council's basic structure and activities that served to create the plan would continue. These include:

- Monitoring implementation of the projects, and making recommendations for course changes as deemed necessary;
- Evaluating new projects as they emerge, and making appropriate recommendations to local, state, and national leaders;
- Continuing the exploration of strategies and development of implementation plans necessary to accomplish the region's three goals as conditions and opportunities evolve; and,
- Proactively and continuously engaging the public in the process.

Over the course of the next two years the council intends to maintain its basic structure:

- ❖ Bi-monthly, the Vision Work Group will meet to focus on implementation of the projects, modify performance measures as necessary, and make recommendations about Strategic Plan amendments or adjustments to the broader CNY REDC based on actual results vs. expected performance measures.
- ❖ At a minimum, the Strategy Work Group will meet on a semi-annual basis. The work group will review and revise the Strategy White Papers to include emerging technologies and the impact of the Strategic Plan implementation. New members will be asked to join the work group as technologies and clusters emerge that warrant further investigation. The Strategy Work Group would report their findings and outcomes to the CNY REDC.
- ❖ An Executive Committee will meet on a monthly basis to review requests for funding and address any actions requiring immediate attention.
- ❖ It is anticipated the CNY REDC would meet on a quarterly basis or at the request of the governor or lieutenant governor. General responsibilities and activities at meetings include reviewing new recommendations and determining next steps, evaluating CFA responses and providing recommendations to funding agencies, and working together to ensure the strategic direction of the region is supporting positive growth for businesses and citizens across the five-county area. CNY REDC would have the responsibility to update and make any required changes to the Strategic Plan and to approve and act on work group recommendations.
- ❖ Empire State Development (ESD) and other agency staff will monitor and administrate project implementation and provide information to the Vision Work Group and to the general council. ESD will continue to take a leadership role in facilitating the coordination of agencies as needed to advance CNY projects.

- ❖ Other work groups may be formed on an *ad hoc* basis.

Given the difference between the CNY REDC member's current two-year commitment and the longer five-year term of the region's strategic plan, consideration of membership continuing beyond these two years is necessary. It is anticipated guidelines will be provided by the Statewide Regional Council at the end of year one. However, in anticipation of that planning process, we respectfully submit the following proposals for consideration:

- ❖ To ensure the successful transition of council members we recommend 50 percent of the council membership remain beyond the second year, instead serving a three-year term. This would allow new members to learn about existing strategies and projects through participation in the CNY REDC's work groups during this phasing period, and allow for a smooth transition in membership without obstructing the council's agenda.
- ❖ We propose several organizations retain seats on the council beyond the two-year membership term because of their broad representation of hundreds of companies and numbers of sectors. These organizations deliver unique insight as representatives of our diverse regional economy. Actual members representing these organizations may change, but the role of the organization on the council will remain consistent:
 - Two associations represent a significant number of businesses and business concerns, CenterState CEO and MACNY, the Manufacturers Association of Central New York.
 - Industrial Development Agency representative from each of the region's five counties.
 - Ex-officio members representing the region's counties and cities.
 - Union organization representation should play a role in the council and consideration should be made to include an organization, such as Unite Here Local 150 AFL-CIO, that represents many union affiliations.
 - Members of anchor institutions specific to higher education, medical and cultural.



Courtesy of Cortland County Tourism

CNY REDC Overall Implementation Plan

As discussed in Section 4, the Central New York strategic plan supports implementation of strategies encompassing a broad number of projects focused on three goals.

The synergy of project implementation is critical to achieve the council's defined outcomes: to raise average wages, reduce concentrations of poverty, retain more young people, attract more venture capital, support innovation and competitiveness within our region's businesses, and create dynamic cities that are talent magnets.

To efficiently track the timelines and manage the interrelationships associated with implementing the region's priority projects, the council has developed project management tools—18-month and 5-year implementation matrices—to inform both the council and the community on the plan's progress. These tools provide for the inclusion of current and future intra- and inter-regional initiatives, such as the Brookings' Metropolitan Business Plan and Metropolitan Export Initiative (MEI), and ensure a common platform for communication and performance evaluation.

The matrices will track priority projects and initiatives and will be organized around the region's three priority goals (see pages 84-87 for representations of the CNY REDC Implementation Matrices). The matrices will provide a timeline of critical project deadlines and an overall timeline to show how the region plans to sustain the public participation process over the five-year implementation time frame.

implementation of the region's strategies.

18-Month

[illegible]

[illegible]

Five-Year

IMPLEMENTATION PLAN

[illegible]

Quarter 2	Quarter 3	Quarter 4	Quarter1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1-Apr	1-Jul	1-Oct	1-Jan	1-Apr	1-Jul	1-Oct	1-Jan	1-Apr	1-Jul	1-Oct
		Selection of New REDC Members	(1) Updates to Performance Measure, Plan, Strategy, Implementation (2) Submittal of Annual Project Progress Reports			Selection of New REDC Members	(1) Updates to Performance Measure, Plan, Strategy, Implementation (2) Submittal of Annual Project Progress Reports			Selection of New REDC Members
Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings	Monthly Meetings
Quarterly Meeting	Quarterly Meeting	Quarterly Meeting -- Selection of New REDC Members	Quarterly Meeting	Quarterly Meeting	Quarterly Meeting	Quarterly Meeting -- Selection of New REDC Members	Quarterly Meeting	Quarterly Meeting	Quarterly Meeting	Quarterly Meeting -- Selection of New REDC Members
Bi Monthly Meetings	Bi Monthly Meetings	Bi Monthly Meetings	Bi Monthly Meetings -- Performance Measure Updates, Recommended Plan Updates	Bi Monthly Meetings	Bi Monthly Meetings	Bi Monthly Meetings	Bi Monthly Meetings -- Performance Measure Updates, Recommended Plan Updates	Bi Monthly Meetings	Bi Monthly Meetings	Bi Monthly Meetings
	Semi-Annual Meeting		Semi-Annual Meeting -- Update Strategies and Implementation Plan		Semi-Annual Meeting		Semi-Annual Meeting -- Update Strategies and Implementation Plan		Semi-Annual Meeting	
Regional Forum 2 Workshops	Regional Forum 2 Workshops Mass Media Push	Regional Forum CFA Workshop Assesment Survey	2 Regional Forums Outreach Survey	Regional Forum 2 Workshops	Regional Forum 2 Workshops Mass Media Push	Regional Forum CFA Workshop Assesment Survey	2 Regional Forums Outreach Survey	Regional Forum 2 Workshops	Regional Forum 2 Workshops Mass Media Push	Regional Forum CFA Workshop Assesment Survey
Review, update of Metropolitan Business Plan						Continued implementation of existing or new lead projects				
Foundation										

5.2 PUBLIC AND STAKEHOLDER ENGAGEMENT SUSTAINABILITY PLAN

The CNY REDC Public Engagement Plan makes tangible our vision statement's emphasis on "taking ownership." The process thus far (August-November 2011, see Section 3) represents the first step in the right direction toward a community-driven and holistic strategy for equitable and sustained prosperity.

Achieving our vision depends upon a slow but steady process of building trust, empowerment, collaboration, responsibility, and ownership over time across all five counties. Our experiences confirm many levels of communication are required to reach the broadest range of stakeholders: from those who are already involved in daily business decision-making to those who work in other sectors or for whom business and economic development strategies are foreign concepts. With the first group, we want to move nimbly to support their investments where they intersect with our goals. With the other two groups, the process involves a greater degree of education and two-way dialogue. All three groups require some form of demonstrable result that they will recognize as valuable. Thus our plans include a range of creative, respectful, culturally sensitive and energetic forms of outreach.

Among other components, our Public and Stakeholder Engagement Sustainability Plan includes strategies intended to change the very terms in which we talk about "The Economy" so that we can think and act more comprehensively about taking shared responsibility for "Our Economy." Central New York's economy can be a shared, vibrant co-creation that both sustains us now—equitably and across our five-county region—and that also includes wise and thoughtful plans for the future well-being of all citizens.

To achieve results that all residents will recognize as valuable is difficult on two major counts: (1) a large amount of very technical information, including labor forecasts can overwhelm the layperson, and (2) we are acting during a period of sustained economic uncertainty which has created suffering for many residents. Many of our strategies and tactics are crafted with full awareness of both national and local data on rising levels of income inequality since the 1980s. In some ways we have time to be patient, systematic, and self-reflective in our forms of outreach, but because many residents are suffering right now, there is an urgency to realize the benefits of the strategic investments in our plan.

Therefore, the first step in the next phase of this process is to hold a major region-wide open comment session after the state awards are announced. The session will review the process to date and examine how the CFA projects fit as

Table 5.1: Public and Stakeholder Engagement Plan for 2011-2015

GOALS	STRATEGIES AND OUTCOMES
Communicate and Reflect	<ul style="list-style-type: none"> Continue to hold regional public sessions: one in every county, in different settings and open to those from all five counties (five sessions per year, ideally on a routine selected day, for example, second Tuesday of the given month) Leverage the Be Heard CNY campaign for continued all-media approach (Internet, TV, PSA's, radio, print), door-to-door (target: one "push" per six months, total of ten over the five years) Examples: informational flyer about the REDC and its goals and projects. We will adapt this slogan to a more active form such as "Get Involved in CNY's Growth" Offer free, public, periodic workshops on using the CFA website throughout the region (one per county in first year) Share and highlight business projects with the public Reflect upon outcomes and lessons learned across all the projects that are funded in the first round
Educate	Use the strategies above to inform and empower citizens and groups in understanding the following: <ul style="list-style-type: none"> their own relationship to the council using the CFA website creating awareness of region-wide goals developing a sense of long-term, strategic thinking assessing the strategic plan, the breadth of projects involved, its results and outcomes, etc. Measure levels of engagement through formal feedback/surveys periodically, beginning in Jan/Feb 2012, a "Taking the Pulse" theme (see "Communicate" above)
Include	<ul style="list-style-type: none"> Seek, over time, to reach a statistically representative sample of the population from the overall region and to include a steadily growing number of citizens over the course of the five years Use a cross-cultural and multilingual approach in order to access all audiences Engage communities in gathering and compiling feedback and reporting it to the council
Involve and Empower	<ul style="list-style-type: none"> Intentionally build a named, engaged core group charged with a strong sense of purpose, which meets regularly and maintains/solicits communications, representing many constituencies while supplementing this structure with constant flow of "newcomers" Conduct periodic surveys in businesses, schools, libraries, senior centers, unions, work training sites, government agencies, other points of contact with citizens
Co-create	<ul style="list-style-type: none"> Use media (TV or live web exchange) to invite the public and stakeholders to discuss the strategic plan Invite citizens and community groups to design and administer communications and outreach, e.g. engaging high school students in a public discussion of "What is an economy?," etc. Move from "we tell and you respond" to "help us decide" to "collaborate on evaluation and on the planning of further strategic actions," possibly through a Citizens Committee

Table 5.2: Metrics for assessing progress

YEAR 1 (NOV 2011 TO NOV 2012)	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<ul style="list-style-type: none"> Hold five facilitated regional public sessions primarily to communicate and educate Utilize two forms of outreach through mass media Hold five free, public workshops on using the CFA website Complete regular website updates to share business projects Launch at least one "Taking the Pulse" survey launched at the public session in November Research the possibility of a Citizens Committee and present findings to full council for decision Begin a major push through all government offices to promote REDC work through flyers and brochures Engage those leading projects funded through the plan in spreading word through their constituencies Use approach of "Bring a friend" to a session 	<p>Same, with more engagement in assessment of outcomes and incorporating:</p> <ul style="list-style-type: none"> At least one "Taking the Pulse" survey launched at the public session in November; including analysis of results and integration of new suggestions Enlisting higher education institutions in research on fostering shifts in public discourse about "the economy" <p>Additional goals, achieve:</p> <ul style="list-style-type: none"> a statistically representative and steadily increasing numbers of participants (at least 400 people, 30 different new organizations per county) increased levels of understanding of technical information 50% retention of public and stakeholders Increased progress on shifting the public discourse on "the economy" 	<p>Same, with more public engagement in decision-making based upon outcomes and with participants up to 600 people</p> <ul style="list-style-type: none"> Leverage our central location in NYS as a platform for organizing an inter-regional summit on such topics as targeted industry clusters, best practices in engaging the public, or assessing plan outcomes 	<p>Same, with more public engagement in decision-making based upon outcomes and with participants up to 800 people</p>	<ul style="list-style-type: none"> Achieve a steadily increasing number of persons who participate in the REDC process Identify new projects Assess outcomes Actively participate in drafting the plan for 2017-2022 Total, cumulative involvement should be at least 1,000 people across all counties.

merely ONE part of our overall strategic plan. At that time we can clearly present the full details of our five-year strategies, projects, and metrics, gathering crucial feedback for the next stages.

In addition, by mid-January 2012: the CNY REDC will establish a core group of volunteers from the full CNY REDC to guide the public engagement process for the next five years. This core will be supplemented by additional recruits from a pool of complete newcomers. The REDC will also continue to reach out to some of the most vocal critics of the process. Plans may eventually include a form of "Citizens' Committee" (as suggested by the public participants at an event on October 20, 2011), modeled after that employed by the national United Way organization, in which citizens assist during the CFA process in some way. We will research this idea and provide more details at a later date; the November 14 deadline simply precludes full analysis of the approach in time for this document.

The full range of our strategies, goals, and intended outcomes is summarized in the tables below. Public engagement with CNY's REDC will continue through both face-to-face and technology-based means, as requested in our public sessions. Ideally, exchanges of information will demonstrate to citizens that their input is being taken seriously, heard and integrated into the plans on an ongoing basis. Thus we are building into our plans a phased transition of metrics: initially measuring sheer *numbers of participants at events* then shifting to *number of participants who helped impact the plan's outcomes*. Developing these participatory cycles will take time, patient effort, outreach, and education. ●

6.0 Performance Measurement

6.1 BASELINE OVERVIEW OF INDICATORS

The CNY Regional Economic Development Council has charted a bold course for economic growth in the five-county region. To track our progress over the next five years, the council has identified broad-based regional indicators, along with more detailed indicators that provide data for each of the specific goal areas: strengthening targeted industries that leverage unique economic assets; improving competitiveness in regional, national, and global economies; and revitalizing our region's urban cores, main streets, and neighborhoods.

The indicators represent a range of markers for which we have set targeted benchmark numbers that measure the results of our strategy and the projects we have undertaken. Our aggressive targets reflect the optimism we have in the efficacy of the Central New York strategic plan—and the motivation of the region's citizens to advance our vision.

As we move forward, CNY REDC will work with our national partners and local expertise to constantly monitor our benchmark numbers to sync with challenges and opportunities that emerge. The Maxwell School of Citizenship and Public Affairs of Syracuse University is world renowned for its work in public policy analysis, in particular in areas of public finance, development and evaluation. We will work in collaboration with researchers and policy experts locally, and continue our engagement with Brookings Institution and other national think tanks, to ensure that our region employs the necessary tools to remain effective in our public policy and strategic investments.

The target numbers, as shown in the following tables, tie directly to our strategic projects. With the creation and retention of high paying jobs in our region's vital and enduring sectors, such as clean energy and environmental systems, agriculture, advanced manufacturing, and health and biomedical sciences, **we expect gains in the number of jobs and overall wages.** Such programs as Say Yes to Education,

which puts higher education into the reach of all city students, and the Work Train Program, which provides culturally relevant job training aligned with strategic industry clusters, will help us **increase educational achievement.** And our continued presence as a refugee resettlement area and our ability to keep students in Central New York after they graduate from our region's colleges will impact our population growth.

As part of our goal to strengthen targeted industry clusters, with such projects as the creation of the CNY Biotechnology Research Center and the Cortland Business Innovation Center, we will expect **increases in the number of new businesses.** The work being done in these areas will also feed the **growth of patent applications** and research expenditures that coincide with increasing competitiveness and connections to regional, national, and global markets.

In regards to international markets, we seek to **double our exports** by producing and marketing products that reverberate around the world, including the C-Speed center expansion with its work in air surveillance radar and the Fulton Companies' expansion to accommodate the production of large-steam boilers and low-emissions boilers for industrial applications worldwide.

Along with business and economic growth, we will realize renewed urban cores, main streets, and neighborhoods—represented by data on **housing affordability** and **job density.** For example, the Prospect Place project in Syracuse promotes affordable housing and density while the Kennedy Square project will localize new jobs in an underutilized urban space. We also want to show marked results through **transit accessibility** data, improving our transportation infrastructure and supplying cleaner and greener options to move people back and forth to work.

The specific tactics described are just a few of the strategies and projects that will help us attain the benchmarks that we have set forth as listed at right.

Central New York REGIONAL PERFORMANCE METRICS

See the following page
for a key on each metric

Regional Indicators				
	Current	National Rank	5 Year Goal	% Change
Total Jobs	359,900 (2011)		377,895	+5%
Total Private Sector Jobs	291,600 (2011)			
Total Public Sector Jobs	68,300 (2011)			
Gross Metro Product	\$32.4 B (2009)	64	\$35.6 B	+10%
Population	763,236 (2010)		767,052	+5%
Unemployment	7.8% (2011)			
Local Government Fragmentation	3.19 (2007)			
Poverty Rate	13.2% (2009)			
Regional Productivity	\$101,122 (2009)	21	\$108,706	+7.5%
Median Wage	\$39,990 (2009)	82	\$45,989	+15%
Educational Attainment	21.9% (2009)		23%	+5%
Total Sales Tax Collections				+7.5%

Goal # 1 — Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets				
	Current	National Rank	5 Year Goal	% Change
Ratio of Business Births v. Deaths	1.09 (2007)	85	1.2	+10%
Total Growth in Target Industries				
# of Firms			+16	
Total Employment			+10,000	

Goal # 2 — Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies				
	Current	National Rank	5 Year Goal	% Change
Gross Metro Exports	\$3.26 B (2009)	68	\$6.52 B	+100%
Export Intensity	10.0% (2009)	57	15%	+50%
Broadband Connectivity	86% (2008)	3		
Air Connectivity				
Total Passengers	2.1 MM (2010)		2.31 MM	+10%
Patent Applications	12.4 ('01-'10)	55	14.9	+20%
Academic Research Expenditures	\$144 MM (2011)		\$180 MM	+25%
Venture Investment per capita	\$27 ('01-'11)		\$81	+300%

Goal # 3 — Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods				
	Current	National Rank	5 Year Goal	% Change
Transit Accessibility	35.8% (2009)	28	37.6%	+5%
Housing Affordability	28.72% (2009)			
Job Density	78.1% (2006)			
Housing Density	60.0% (2009)			
CBD Commercial Occupancy Rates	88% (2011)		< 85%	
CBD Residential Occupancy Rates	99% (2011)		< 95%	

Central New York Regional Performance Metrics

KEY

Regional Indicators	
Total Jobs Total Private Sector Jobs Total Public Sector Jobs Gross Metro Product Population Unemployment Local Government Fragmentation Poverty Rate Regional Productivity Median Wage Educational Attainment Total Sales Tax Collections	Tracked Monthly by DOL Tracked Monthly by DOL Tracked Monthly by DOL includes employment of SUNY personnel Tracked yearly by Moody's Total Value of regional goods and services Tracked in decennial census by US Census Bureau Tracked Monthly by DOL Tracked by US Census Bureau Number of local govt's per 10,000 people Tracked yearly by US Census through American Community Survey Gross Metro Product per job Tracked yearly by Brookings through Moody's measures gross metro product per job and tracks changes in # of jobs Tracked yearly by Brookings through Moody's measures average wage Tracked yearly by US Census measures percent of population with a bachelor's degree or higher Tracked by County
Goal # 1 — Strengthen Targeted Industry Concentrations that Leverage Unique Economic Assets	
Ratio of Business Births v. Deaths Growth in Target Industries # of Firms Total Employment Median Wage Regional Capital Investment*	Tracked by SBA Establishment Births and Deaths as a Percentage of Total Establishments (Business Churn) Targeted clusters include: Clean and Green Technology; Electronic Product Manufacturing; Education and Healthcare; Radar and Sensor Technology; Advanced Manufacturing; Engineering Services; Agribusiness; Financial Services; Tourism
Goal # 2 — Improve Competitiveness in, and Connections to, the Regional, National, and Global Economies	
Gross Metro Exports Export Intensity Broadband Connectivity Air Connectivity Total Passengers Value of SBA Export Loans Patent Applications Academic Research Expenditures Venture Investment	Brookings analysis of BEA, USITC, IIE, IRS, and Moody's data Brookings analysis of BEA, USITC, IIE, IRS, and Moody's data Exports as a share of total output Tracked by FCC % of population with high speed internet access Tracked monthly by regional airport Tracked annually by US Patent Office total # of patent applications per 1,000 workers Tracked annually by National Science Foundation Per capita Venture Capital funding for 5 county CNY Region
Goal # 3 — Revitalize our Region's Urban Cores, Main Streets, and Neighborhoods	
Transit Accessibility Housing Affordability Job Density Housing Density* CBD Commercial Occupancy Rates CBD Residential Occupancy Rates Overall Municipal Tax Base	Tracked by Brookings Job access rate — how many jobs a worker can reach (at their skill set) within a reasonable amount of time Tracked by US Census Bureau Percent of mortgaged homeowners spending 30 percent or more of household income on selected owner costs Tracked by Brookings Share of jobs within 10 miles of CBD Tracked yearly by US Census % of population living in urban and suburban area (areas of 1,000 or more people per 1 square mile) Tracked Quarterly by Business Improvement Districts Overall Municipal Tax Base

6.2 PROCESS FOR STRATEGIC PLAN IMPLEMENTATION EVALUATION AND UPDATING

The CNY REDC Governance Plan supports consistent review, evaluation, and (if necessary) updating of the strategic plan. Systemic metric and information feedback loops ensure project owners monitor the performance of their projects, have leading indicators in place to proactively respond when performance does not meet expectations, and implement corrective actions, if required. Through evaluation of project performance across the diversity of Central New York projects best practice actions may be defined. Sharing of these actions and including in a “lessons learned” database provide for continuous improvement mechanisms benefiting current and future projects.

The Strategic Plan Implementation and Updating process includes the following tactical actions:

- The council will establish communication vehicles (either through project contract requirements or follow up plans) with project owners and agency support staff to ensure a consistent flow of information.
- ESD staff will act as the consolidating agent for project updates and will provide this information to the Vision Work Group.
- The Vision Work Group will review CNY project progress and compare expected and actual performance. If required, the work group will work with or will reach out to subject matter experts who will work with the project team to determine corrective action. The work group will determine if modifications need to be made to the Strategic Plan (implementation plan or Performance Measures), and will prepare recommendations to take to the CNY REDC or, if immediate action is required, to the Executive Committee.
- At the CNY REDC meetings, the Vision Work Group will present updates on CNY projects’ performance and make recommendations for modifications to the Strategic Plan, if required. As well, the work group will provide information about regional best practices.
- Based on information from the Vision Work Group and other subject matter experts, the CNY REDC will consider recommendations and through consensus determine what, if any, modifications should be made to the Strategic Plan.

These modifications will be posted on the CNY REDC Open for Business website.

6.3 PROCESS FOR STRATEGIC PLAN PROGRESS RESPONSE

The CNY REDC has defined a process to monitor, evaluate, and update the strategic plan based on project performance. There are also processes in place to continuously evaluate the plan against changing environmental trends and technology

advances. The following describe how the CNY REDC plans to address technology advances and identify and respond to environmental risks.

Technology Advancement

Improvements in technology and the emergence of new technologies will impact the strategies and tactics identified in the region’s Strategy White Papers. The governance plan establishes a process to ensure there is both flexibility to adapt and capability to address technology advancements:

The Strategy Work Group will meet (at a minimum) semi-annually to review updates to the Strategy White Papers.

Technology changes in the industry clusters prioritized by the CNY REDC will be discussed with the white paper subject matter experts. Recommended next step actions and projects will be evaluated and, if warranted, presented to the CNY REDC.

The impact of emerging technologies will be evaluated. Recommended next step actions (potentially the development of a new strategy white paper) and projects will be evaluated and, if warranted, presented to the CNY REDC.

The Strategy Work Group will present updated Strategy White Paper information to the CNY REDC. The council will review the information, determine if changes should be made to the prioritized industry clusters based on the information, and determine next step actions (potential actions include, but are not limited to, inclusion of a new priority industry cluster, further action to evaluate the new technology and its impact on CNY).

Risk Identification and Response

Central New York’s Regional Economic Development Council is monitoring broader trends which may impact our plans for the next five years, and to which we are prepared to adapt so as to stay on track with our overall vision and goals. These include:



Courtesy of CenterState CEO

“We are facing a Digital Divide that may put low-income students who do not have access to the Internet and its resources at a disadvantage.”

—PUBLIC COMMENT, REDC 6 MEETING

Risk: *Prolonged/double dip recession* which slows or inhibits anticipated growth.

Response: By strategically investing and supporting the growth of the region's diverse industry concentrations, we hope to mitigate the potentially crippling effects of a prolonged or double dip recession. Central New York's regional economy fared comparatively better than the nation during the last recession—a fact partly contributed to the steady growth and stability of the region's varied industry strengths.

Risk: *Economic instability in world financial markets, especially the European Union (EU)* – Overall instability in world financial markets can have a serious impact on the growth of foreign, emerging markets and therefore may slow down the potential for export and foreign direct investment growth. Europe remains a key trading partner of the United States. The ongoing debt crisis in the EU could impact the export activity of local businesses that have targeted the region for growth.

Response: In response to the possibility of continued economic instability in the European Union, Central New York will focus its export assistance programming on encouraging companies to trade with new and emerging growth markets. Many companies already export, or plan to export, to emerging markets in South America and Asia. If prolonged economic instability remains in the European Union and in worldwide financial markets, companies will need to seek diversity in target markets to ensure stability in sales.

Risk: *Planned and mandated cuts to Federal Defense Spending* – The Joint Select Committee on Deficit Reduction is currently working to draft and submit a plan to reduce the country's rising federal debt. It is expected that federal defense spending is a possible target, among others, for planned cutbacks. If the Committee fails to reach an agreement, automatic cuts to defense spending would be immediately triggered that could be more drastic than those prescribed by the committee. In general, it is expected that the draw down in troops from Afghanistan and the conclusion of the war in Iraq will lead to fiscal constraint in federal defense spending. These cutbacks could have a significant impact on the many defense contractors located in the region.

Response: The region must immediately work with our state leaders in Washington DC to communicate the importance in avoiding the automatic defense cutbacks that would arise if the Committee reaches an impasse. In the longer term, the commercialization of technologies must be accelerated into civilian uses. Initiatives like the FAA authorization of Unmanned Aerial Vehicle use around Hancock Airport can help spur the transfer of knowledge into private, civilian uses.

Risk: *Leadership turnover* – There remains the possibility that key leaders in business, academia, government, or community

institutions could/will change. We must build processes and systems that will survive our current collaborative relationships.

Response: Turnover of the current progressive and collaborative leadership is ultimately unpreventable. However, activities can be engaged immediately to develop new leaders who can ultimately transfer into local leadership positions. There are a handful of regional leadership development programs like the Central New York Political Leadership Institute and Leadership Greater Syracuse. These programs must be closer aligned with groups that represent young talent (like young professionals groups) to ensure that tomorrow's leaders are as effective as current leadership. In addition, Central New York must continue to build governance systems that embed collaboration in the region's business process, and not simply its current practice. Success has already been seen inside Central New York through the Economic Development Leadership Council in Syracuse and the formation of the CNY Regional Economic Development Council.

Risk: *Rising energy and health care costs* – Rising costs reduce capital available for business investment. We must be aware and supporting of energy efficiency and cost containment programs.

Response: Though many of the issues affecting the rising cost of healthcare and energy need to be dealt with on the state and federal level, the region can undertake a handful of local initiatives that can impact rising costs. These include new programs to encourage and promote energy efficiency to reduce costs and developing new sources of energy generation within the region.

Risk: *The widening disparity between rich and poor in the United States* – A prolonged decline in the region's manufacturing-based economy has resulted in stagnant job and wage growth, and the recent recession has only increased pressures on a vulnerable middle class. As educational achievement has become increasingly requisite for higher quality jobs, there is a growing disparity between those who can readily access higher education and/or advanced training opportunities, and those who cannot. This dynamic continues to exacerbate a widening gap between rich and poor.

Response: This dynamic is unsustainable as the effects of poverty will increasingly exhaust limited local resources over time. Meaningful improvements will require long term and multifaceted strategies. It is imperative that we create more high quality jobs within the region, while simultaneously working to improve Pre-K-12 education in urban and rural communities; revitalize our urban core neighborhoods; and provide better access to economic opportunities through more effective workforce development systems. ●

BIBLIOGRAPHY

Battelle Memorial Institute

Battelle Technology Partnership Practice, Central Upstate New York's Green Industry Sector: Opportunities and Prospects, Battelle Memorial Institute, Columbus Ohio, November 2007.

Battelle Technology Partnership Practice, Data and Metrics for New York's Creative Core, Battelle Memorial Institute, Columbus, Ohio, June, 2009.

Battelle Technology Partnership Practice, Potential Technology Clusters in the Central New York Region: An Economic Analysis, Battelle Memorial Institute, Columbus, Ohio, September, 2003.

Battelle Technology Partnership Practice, Transitioning to a Knowledge Economy: Upstate New York's Economic Development Roadmap, Battelle Memorial Institute, December 2003.

Battelle Technology Partnership Practice, Updating the Economic Development Roadmap for Central New York-Initial Scan, Battelle Memorial Institute, Columbus Ohio, October 2011.

Brookings Institution

Elizabeth Kneebone, Metropolitan Policy Program at Brookings, Job Sprawl Revisited: The Changing Geography of Metropolitan Employment, Brookings Institution, Washington, D. C., April 2009

Mark Muro, Jonathan Rockwell, and Devashree Saha, Metropolitan Policy Program at Brookings, with the Battelle Technology Partnership Practice, Sizing the Clean Economy: A National and Regional Green Jobs Assessment, Brookings Institution, Washington, D. C. , 2011.

Cited as: (Brookings¹ 2011)

Metropolitan Policy Program at Brookings, Metropolitan Business Planning—Strategic Overview Metrics, Brookings Institution, 2011.

Cited as: (Brookings², 2011)

Catalytix

Catalytix, Inc. A. Richard Florida Creativity Company, Blueprint for Creative Growth: Upstate New York Region, Pittsburgh, Pa. December 23, 2003.

Catalytix, Inc. The Creativity Action Team, Blueprint for Creative Growth: Upstate New York Region, Updated Tables & Figures, Pittsburgh, Pa. June 8, 2009.

CEO for Cities

Joe Cortright, Impresa, Inc. for CEOs for Cities, The City Dividends: How Cities Gain by Making Small Improvements to Metropolitan Performance, CEOs for Cities, September 2008.

CNBC

"Cost of Doing Business - 2011." *CNBC Mobile Home*. 2011. Web. 04 Nov. 2011. <http://www.cnn.com/id/41666606>.

Empire State Development

A.T. Kearney, Delivering on the promise of New York State: A Strategy for Economic Growth and Revitalization, prepared for Empire State Development, 2007.

Kauffman Foundation

Tim Kane, Ewing Marion Kauffman Foundation, The Importance of Startups in Job Creation and Job Destruction (Kauffman Foundation Research Series: Firm Formation and Economic Growth), Kauffman Foundation, Kansas City, Missouri, July 2010.

Dane Stangler and Robert E. Litan, Ewing Marion Kauffman Foundation, Where Will the Jobs Come From? (Kauffman Foundation Research Series: Firm Formation and Economic Growth), Kauffman Foundation, Kansas City, Missouri, November 2009.

Metropolitan Development Association

Metropolitan Development Association, The Essential New York Initiative: Transforming Upstate New York to a Knowledge Based Economy, Syracuse, New York, February 26, 2004.

National Economic Council

National Economic Council, The Small Business Agenda: Growing America's Small Businesses to Win the Future, Office of Policy Development, Executive Office of the President, Washington, D.C., May 2011.

SRI International

Center for Economic Competitiveness, SRI International, Vision 2010: An Economic Development Strategy for Syracuse and Central New York: A Strong Tradition of Quality, A Shared Commitment to Growth, SRI International, Arlington, Virginia, June 7, 1996.



Central New York
Regional Economic Development Council
Five-Year Strategic Plan | 2012-2016
November 2011